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# FINANCIAL TIMES

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**TAYLOR  
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## NEWS SUMMARY

GENERAL BUSINESS

### Muskie fears Iran break-up

U.S. Secretary of State Edmund Muskie said yesterday he feared Iran's territorial integrity was threatened by the "Iraqi invasion" and that a cohesive and stable Iran was in the region's best interests.

Though he reiterated U.S. neutrality in the conflict, his reference to "invasion" suggested for the first time that the Administration held Iraq responsible for the fighting, and feared that Iran might be broken up.

Meanwhile, the speaker of the Iran Parliament said conditions for the release of the U.S. hostages in Tehran would be fixed in the "next two or three days" and there was only a remote chance that they would stand trial. Page 4

### Lady Barnett dies

Former television star Lady Isobel Barnett, 62, was found dead at her home. She was last week fined after denying a shoplifting charge.

### Greece for NATO

NATO approved the return of Greece to its military wing after six years' absence, and the Greek Government plans to seek a vote of confidence on the subject this week. Page 3

### Bourse bomb

Trading stopped for almost an hour after a time bomb was found in the Paris Stock Exchange.

### Bar to TV women

Sex discrimination in television means women hold only 13 per cent of top management jobs, and most are production assistants, continuity girls or production secretaries, Baronesse Secar said.

### S. Africa blast

A nuclear explosion in the South Atlantic last year resulted from an international deal supplying arms to South Africa in defiance of a UN embargo. The World in Action television programme reported last night.

### Picket code 'rigid'

The Government's codes of practice on picketing and the closed shop would be "far too restrictive" if made law, said Employment Secretary James Prior. Page 11

### Gas 'cheapest'

Gas is by far the cheapest way of heating homes and cooking, according to new British Gas Corporation figures. Page 8

### Mayors lose case

Two Palestinian mayors lost an appeal against their deportation from the Israeli-occupied West Bank of the Jordan five months ago, and plan to take the case to Israel's Supreme Court. Page 4

### Drug death

One man died and seven people were injured in a Dublin hospital, apparently after taking street-drugs they thought was cocaine.

### Cheaply beloved

South Korean brides who spend more than £30,000 won (£5741) on their weddings or have more than two bouquets now face a year in jail under laws to enforce frugal living.

### Briefly

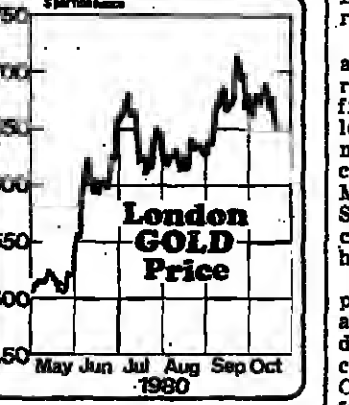
The ousted Khmer Rouge regime accused Vietnam of stealing treasures from Kampuchea's Angkor temples.

Former TV newscaster Reginald Bosanquet and columnist Anna Rebura standing for election as rector of Glasgow University.

Death reported of Fred, 41, Britain's oldest goldfish.

### Gold falls by \$15; Equities off 3.6

GOLD fell to its lowest level for over a month in the London bullion market and closed at \$351.5, a fall of \$15 an ounce from Friday. Page 37



LONDON GOLD PRICE

STERLING'S trade weighted index rose to 77.8 from 77.2, a new 51-year high. It closed at \$2.43 (\$2.4155). Page 37

DOLLAR was boosted by the current weakness of the D-Mark and by Friday's U.S. money supply figures which showed a further rise. It closed at DM 1.8640 (DM 1.8425), but eased against the Swiss franc to SwFr 1.6570 (SwFr 1.6575). Its trade weighted index was up from 83.9 to 84.2. Page 37

EQUITIES settled marginally easier following receipt of last month's retail sales figures which continued the recent downturn. The FT 30-share index closed 3.6 down at 477.5. Page 40

GILTS were held back by a continuing lack of investment funds. Sterling's early lower trend was another depressing influence but when the pound moved up late the losses were slightly reduced. The Government Security Index was off 0.22 at 70.52. Page 40

WALL STREET was down 3.07 at \$33.07 near the close. Page 33

PROSPECTS of a substantial drop in the mortgage rate when Minimum Lending Rate eventually falls have receded further due to forthcoming changes in building society tax rates. Back Page

FINANCIAL position of industry has so far this year held up better than had been widely expected, according to Central Statistical Office figures. Back Page

VOLUME of spending in the shops fell back sharply last month after a period of relative buoyancy during the summer. The retail industry is feeling the full force of recession. Back Page

JAPANESE banks have advised London branches not to lend any more money to UK local authorities until their credit rating is clearer. Back Page

LONDON Chamber of Commerce and Industry warned the Prime Minister that unless the Government tackled the liquidity crisis, it would "destroy the nation's industrial base in a tidal wave of closures." Page 10

PROJECTIONS which suggest that Germany could again find itself with over 1m unemployed next year seems certain to increase pressure on the Bundesbank, the West German Central Bank, to further relax its monetary policy. Back Page

AYRESHIRE MARINE boiler-makers at the Hunston oil platform yard voted to return to work, ending the six week strike. Page 11

HIGHLAND DISTILLERIES reports pre-tax profits of £5.82m for the year ended August 31 compared with £4.63m. Turnover was up from £56.73m to £64.25m. Page 26 and Lex. Back Page

## Foot enters contest and poses threat to Healey's chances

BY RICHARD EVANS LOBBY EDITOR

MR. MICHAEL FOOT entered the Labour leadership contest last night as a candidate who could unite the party's warring factions. In doing so he posed a major threat to Mr. Denis Healey, who remains front-runner.

Mr. Foot's intervention, announced after he had received many representations from MPs and trade union leaders, makes the election much more open and almost certainly scotches any chances Mr. Peter Shore or Mr. John Silkin, the other declared candidates, might have had of beating Mr. Healey.

Mr. Foot has considerable support on the Left of the party, and because of his loyalty as deputy leader to Mr. Callaghan commands respect from many Centrist Labour MPs. It is this factor that will worry the supporters of Mr. Healey.

The campaign managers of the four candidates were revising their calculations on the outcome last night; the belief was that Mr. Healey, former Chancellor of the Exchequer, was now far less likely to win on the first ballot, the result of which is to be declared on November 4.

To win then he would need to secure more than half the votes cast, a formidable task.

TUC and Labour Party leaders yesterday mapped out a programme of policy discussions for the winter months that will influence Labour's next general election manifesto. Attempts to work out a "progressive" incomes policy are not expected to start until the New Year. Page 11

Editorial Comment, Page 24

now that he is opposed by the party's respected deputy leader. The supposition is that either Mr. Silkin or Mr. Shore, or conceivably both if Mr. Foot takes a high proportion of votes from each, will drop out after the first ballot.

This would leave a play-off between Mr. Healey and Mr. Foot, in which many factors would have to be taken into account by MPs.

Mr. Foot made clear yesterday that he did not intend to be a caretaker candidate who would stand down once the new electoral college with an extended franchise was devised.

He sees himself as a candidate who, if elected, would fight the next General Election and remain as leader beyond that.

The choice would therefore depend on whether the key group of uncommitted 'Centre' MPs preferred Mr. Healey, standing as champion of the Parliamentary Labour Party against attempts to devolve power to the party conference and the constituencies, or Mr. Foot as the candidate of reconciliation anxious to avoid a conflict between MPs and party activists.

Mr. Foot's opponents were claiming he was being deliberately used by the far Left as an interim candidate to allow Mr. Anthony Wedgwood Benn Continued on Back Page

## Clearers willing to take equity stakes in Massey

BY HAZEL DUFFY, IAN HARGREAVES AND MICHAEL LAFFERTY

THE BIG London clearing banks are willing to take equity stakes in the UK operations of the Massey-Ferguson group in an effort to rescue the failing Canadian-based agricultural equipment multinational.

This willingness to take equity — unprecedented in recent British banking history — is confirmation of Massey's plight.

The Canadian Government is also to take part in a rescue but has already made clear that any assistance would depend on all the 200 or so banks with loans to Massey also agreeing to take equity.

The clearing banks' willingness to take equity stakes in Massey marks a major point of departure from their traditional approach to corporate customers in financial trouble. In the past, British banks have called in the borrower, and sought to recover their loans.

British banks are thought to have loans of around £250m outstanding to the Massey-Ferguson group. Some two-thirds of this relates to the clearers, and in Barclays Bank, followed by Midland, have the most at stake.

Most of this lending is covered by Export Credits Guarantee Department guarantees.

The British clearers' decision is believed to have the support of the Bank of England. They took their decision after a meeting called by Barclays Bank about 10 days ago.

The British banks' indication of a commitment came only hours before the Canadian Government was due to make a statement on its willingness to help bail out Massey-Ferguson.

Expectations in London early last night was that all the group's bankers would be asked to convert some of their loans into equity as part of an overall rescue package for Massey-Ferguson.

The clearing banks appear to accept that this is now inevitable, but want to avoid taking avoid taking equity in the company, if possible.

Massey-Ferguson has substantial operations in the UK where it employs between 16,000 to 17,000 workers. These include Perkins diesel engine group in Peterborough, one of the world's largest, and the tractor factory in Coventry which employs around 6,000. The company's Canadian employees number 6,000.

Efforts in the UK to find a solution to Massey's financial problems have centred on trying to save these dual operations which are considered vital constituents of the British engineering sector.

The problem is that these activities are tied very closely to Massey's international manufacturing structure. Some 40 per cent of Perkins' engines, for example, go to Massey plants in Europe and North America for incorporation in agricultural equipment.

Both Massey and Perkins are also major contributors to UK engineering exports, some 70 to 80 per cent of their output going overseas, an important customer for all Ordinaries components companies.

In spite of the group's importance, however, the British Government has made clear to Massey in Canada that there can be no question of Westminster taking part in a financial rescue.

## Australian stock markets soar

BY JAMES FORTH IN SYDNEY

AUSTRALIAN stock markets yesterday marked the re-election of Mr. Malcolm Fraser's Liberal-National Country party coalition government with the strongest one-day rise seen on local markets since trading began more than 100 years ago.

The Sydney All Ordinaries Share Index surged through the 1,000-point level and closed the day 57.44 points higher at a record 1,025.29, a gain of almost 6 per cent.

Mr. Fraser's previous 48-seat majority in parliament was severely pruned in Saturday's election. But he still has a comfortable margin of between 15 and 27 seats despite the 6 per cent swing to the Labor party led by Mr. Bill Hayden.

Final results may not be known for another week because of the need to wait for postal votes in seats where the counting was very close.

The market surge more than made up for the sharp fall registered earlier this month when opinion polls indicated that Labor might win the election. Price rises totalled more than A\$3bn (£1.47bn) across the board with gains outnumbering falls by 20-1.

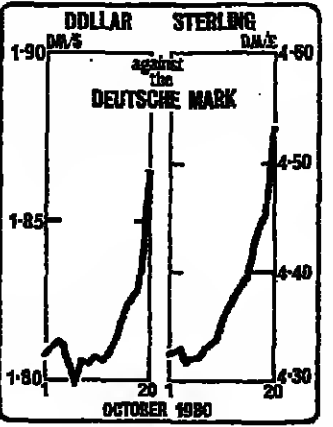
In London, Mr. Fraser's return to power also led to active trading in Australian shares. In spite of some early selling, substantial gains of up to 50 pence were recorded in leading shares and speculative exploration issues.

The one-day gain in Australian markets was far greater than that which followed the sacking of Mr. Gough Whitlam's Labor Government on November 11, 1975, when the All Ordinaries Index rose 4 per cent, and even out-performed the best days of the Poseidon boom in late 1969 and 1970.

Turnover in equities more than doubled to A\$64m on the Continued on Back Page

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### £ makes further big gains

By Peter Riddell, Economics Correspondent

STERLING yesterday rose to a 54-year high against the dollar and made further large gains compared with main Continental currencies.

Consequently, the trade-weighted index, measuring the average value of sterling against a basket of other currencies, jumped by 0.6 points to 77.8 for an appreciation of 21 per cent so far this month.

The strong rise in the pound, especially in the last few days, reflects not only familiar petrocurrency influences but, also, a rise in sterling interest rates.

For instance, one-month Eurosterling rates yesterday rose by nearly 1/2 of a point to 17 7/32 per cent.

The pound gained 1.45 cents to \$2.43 but its largest recent rises have been against the main Continental currencies.

Sterling yesterday closed at DM 4.53, against DM 4.45 on Friday, and at FFf 10.43, against FFf 10.27. There has been no sign of any significant official intervention to check the rise.

The renewed strength of sterling has been matched by a revival in the dollar against most currencies apart from the pound, also partly because of high interest rates.

The dollar's trade-weighted index, as calculated by the Bank of England yesterday, rose 0.3 points to 84.2.

Stewart Fleming writes from Frankfurt: The Deutschmark has recently fallen sharply against the dollar, last night closing at DM 1.8640 compared with DM 1.8940 a week ago. Bundesbank intervention was reported yesterday.

Several factors are cited to explain the weakness of the D-mark including last week's remark by Herr Karl Otto Poehl, Bundesbank president. He said the West German current account deficit next year could still be DM 20bn after the expected DM 30bn in 1980. There are also fears that interest rate differentials with the U.S. could widen further.

## Isle of Grain unions accept TUC formula

BY PHILIP BASSETT, LABOUR STAFF

THE THREE unions facing suspension from the Trades Union Congress over the Isle of Grain power station dispute yesterday agreed to accept the Congress's formula for ending the dispute thereby averting the risk of a damaging split in TUC ranks.

While the prospect of the most serious division in the TUC since the deep disagreements over the Conservatives' Industrial Relations Act in the early 1970s has been avoided, the acceptance of the formula by the three unions still leaves unanswered a number of crucial questions about the construction work at the Grain site itself.

The engineering and construction sections of the Amalgamated Union of Engineering Workers, and the Electrical and Plumbing Trades Union, faced suspension at a meeting tomorrow of the TUC general council for failing to comply with the TUC's advice on ending the Grain dispute.

Suspension of the three unions could have been a major embarrassment to the TUC at a time when TUC leaders feel a united front ought to be presented to combat the Government's economic and social policies.

The isolation of the moderate AUEW and EPTU could also, it was feared, have undercut the TUC's claim to be representative of organised workers and could have led to the establishment of an alternative trade union power base.

In more immediately practical terms, suspension of the three unions could have led to a considerable amount of industrial disruption. The unions would have lost the protection of the TUC's Bridlington rules on union demarcation, which would have left their members open to poaching by other TUC unions.

The threat of this was strong enough to have persuaded the construction workers to accept the formula already if there was no other way of avoiding suspension.

In a last-ditch attempt to avoid suspension, the executives of the three unions held a meeting yesterday at which Mr. Len Murray, TUC general secretary, said the TUC's advice would allow the 57 laggards from the three unions who replaced Grain laggards represented by the General and Municipal Workers' Union to continue on the Grain site for the time being. Negotiations would then begin for their removal.

Some officials of the three unions saw this as a "definite shift" and a "substantial qualification" on the TUC's part. But Mr. Murray stressed after the meeting that the TUC's formula remained unchanged.

While welcoming the unions' acceptance of the TUC's advice, he said: "The impression appears to have been created that the TUC's formula has been modified. This is not so."

He said the unions had accepted the advice as a whole, and that he expected to receive letters from all three unions today confirming that.

Mr. Murray clarified the advice to the unions, which asked for this to be put in writing. Mr. Murray's letter, while saying the replacement laggards should continue work at the site, clearly stated: "The intention of the formula is that the laggard work on the Isle of Grain should be undertaken by GMWU laggards."

Mr. Murray consulted Mr. David Bassett, GMWU general secretary, on his statement.

While Mr. Terry Duffy, AUEW president, denied the three unions had climbed down from their position, all three in accepting the formula have accepted that the laggard work at Grain should be carried out by GMWU members.

But while this acceptance has been secured, the GMWU's insistence that the replacement laggards should leave the site has not been met.

Talks will be held, possibly this week, involving all the unions, the site contracting companies, and the site's client, the Central Electricity Generating Board, to try to secure the CEB's acceptance of the TUC's formula.

But it was not clear last night whether the CEB would accept the formula, now it has finally been agreed by all the unions concerned. The CEB has been less than enthusiastic about accepting it, partly because work on the site using the replacement laggards has been proceeding satisfactorily.

Mr. Frank Cottam, GMWU national officer with responsibility for Grain, welcomed the unions' decision as a "common sense" solution to the inter-union dispute. But he was convinced that GMWU laggards would still not work with the replacement workers.

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## EUROPEAN NEWS

Berne is renewing its 19-year struggle against foreigners buying property, writes John Wicks in Zurich

## The battle to keep Switzerland for the Swiss

THE Swiss Government has been trying to slow down sales of property to foreigners for nearly 20 years. Its attempts have hardly proved successful. Property valued at SwFr 11.31bn (\$2.89bn) was sold to foreigners between 1961 and 1979, and in each of the past three years, such sales have set new records.

Opponents of property sales to foreigners have long condemned the *Ausverkauf der Heimat*—"selling off the home." The growing foreign presence in Switzerland, 14 per cent of whose population are aliens, has its political implications for the federal Government in Berne, which is also concerned about the effect on already high land prices and the over-expansion of the resorts.

Only between mid-1972 and early 1974 were anything like real sanctions imposed on property sales to foreigners, as part of the comprehensive Treasury programme to keep hot money away from the Swiss franc.

Otherwise, an application and grant system has been in force, generally referred to as "Lex von Moos" and "Lex Furgler" after former Justice Ministers. Supplementary rules introduced in 1974 cover the resorts.

Applications from non-residents to buy property have been granted almost automatically. Of the 51,866 applications in

1961 to 1979, only 2,630 were rejected, and foreign buyers have been using the services of local estate agents and trustee companies to try to ensure their applications are not refused.

The cantons frequently see the restrictions on property sales as a direct blow to their interests. Their traditional misgivings on matters affecting sovereign rights, also contribute to the basic weakness of the system.

Most transactions affect areas largely or wholly dependent on tourism. Since the Lex von Moos was introduced, over 60 per cent of sales, by value, have been in the resort cantons of Valais, Grisons, Ticino and Vaud, and a further 15 per cent in cosmopolitan Geneva.

Despite the publicity given to such luxurious foreign-owned properties as the late Shah of Iran's Villa Suvretta in St. Moritz, or the mansions around Lake Lemano, most business today concerns the sale of flats. These accounted for SwFr 880m of all application grants last year, over 55 per cent of the SwFr 1.58bn total. A further SwFr 362.7m was accounted for by houses. Some of these sales were to foreigners actually living in Switzerland and buying a new home, but most were for holiday homes. Sales of commercial premises last year were less than 10 per cent



of the total, and those of farmland were negligible. Sales of building land were very limited, not least because foreigners may not buy land for speculation.

The West Germans and the Dutch are the big buyers of holiday homes, a large and growing part of the property market. Property owners play an important role in Swiss tourism—an estimated 270,000 beds in Switzerland's holiday accommodation total are in holiday houses and flats used

solely by the owner or a permanent tenant. This includes, of course, a substantial number of homes built or bought as holiday or weekend retreats by city-dwelling Swiss. Nevertheless, the large grants of ownership rights in resorts to foreigners shows the importance of outside demand in turning idyllic Alpine villages into built-up areas. At the Grison resort of Davos, for example, whose population at the last census (in 1970) was 10,238, 267 flats

were built in 1979 and building permission was given for 417 more; 239 applications for foreign-property permits were granted in that year.

The boom in the tourist cantons led the Government to tighten the special resort regulations last July. This aimed specifically at communities which had granted a total number of permits since 1961 exceeding one-twentieth of the population—plus 10 for every 100,000 annual bed nights, and where foreigners own over 10 per cent of the surface and taxable value of a given building zone. A minimum guarantee of 50 permits was allowed for each resort, however, and some other exceptions were made.

The Government was counting on a time lag before the tighter regulations took effect. The actual results now appear to be disappointing, and the cantons have been sent a draft revision of the regulations for their comments by the end of this month. The Federal authorities would like their rules to have sharper teeth when they come up for renewal at the start of 1981.

They want to halve the minimum guarantee for each resort "with substantial foreign ownership" to 25 permits, and make a 15 per cent national reduction in "exceptional" permits for holiday accommodation. But this latter cut is modified, as the authorities say they would pay particular attention to the needs of the traditional tourist cantons. The regulations would apply to all pending applications, to avoid a further time lag.

At the same time, cantons and other interested parties have until the end of next month to consider Ministry of Justice recommendations for tightening the overall Lex Furgler decree when it expires in 1982. This draft would lay down a national quota for property sales to foreigners, to be fixed by the Federal Council every two years, and broken down into individual shares for the cantons. It would also be made harder (exactly how is not clear) to buy holiday apartments and to dodge restrictions by using Swiss intermediaries.

The tourist cantons are hardly likely to be very happy with these proposals. Land sales and resort development have brought a great deal of money to traditionally poor mountain regions. In the Valais and the Ticino, private chalets and flats contain probably a quarter of the total number of tourist beds. It remains to be seen to what extent they will oppose the new drafts or at least build in suitable safeguards to protect their own interests.

## Communists urged to join Poland's independent unions

BY CHRISTOPHER BOBINSKI IN WARSAW

POLISH COMMUNIST members have been urged to join the country's new independent unions by Mr. Henryk Szabla, a senior official in the powerful Warsaw party organisation.

Such a policy, which could mark the beginnings of a move to influence the independent unions directly, goes further than the official party line so far which has been that the authorities will work with the new unions.

Mr. Szabla's statement comes in a report of the party executive in Warsaw and thus reflects the local leadership's official view.

He said: "Party members should actively work to set up the new union structures and should direct union activities so that they are in line with the agreements signed between the Government and workers

in the summer, in the interest of the working people and the aims of Socialist construction in Poland."

Meanwhile, delegates representing Solidarity, the country's largest independent union, met yesterday in the mining town of Jastrebie in southern Poland, to discuss policy in the face of the authorities' continued failure to register it.

Mr. Stanislaw Pawlak, head of the Warsaw District Committee, which is to register the union, has said publicly that the hearing will be held this week. The main problem, he said, was that Solidarity's statute does not contain a clause recognising the leading role of the party in the state. Also, the right to strike should be defined by the trade union law, which is being drawn up at the moment, and not by union statutes.

## Soares made scapegoat for Socialists' decline

BY DIANA SMITH IN LISBON

LATENT TENSIONS in the Portuguese Socialist party have emerged with the announcement that Sr. Mario Soares, the party secretary, has suspended himself from his functions during the presidential election campaign which ends on December 7.

Sr. Soares, standing with his party is known to have been undermined by the Socialists' failure to win more than 28 per cent of the vote in the last two general elections. After struggling to keep the Socialists in power between 1976, when they formed the first post-revolution constitutional government, and 1978, when President Antonio Ramalho Eanes dismissed him as the Prime Minister, Portugal's most prominent Socialist appears to have been made a scapegoat for the party's declining popularity.

Last week, the President delivered a further blow to Sr. Soares' prestige. General Eanes, in a calculated attempt to persuade conservative voters to return him to office in December, marked his distance from the Socialists as a whole, and Sr. Soares in particular. He reminded the nation that he had dismissed Sr. Soares in 1978 for failure to comply with his "contract."

The President's remarks apparently moved Sr. Soares to try to discourage his party from backing General Eanes in the presidential election. During a 20-hour meeting of the party leadership over the weekend, however, Sr. Soares was outweighed by those who see Gen. Eanes as the only acceptable candidate. He was allowed, therefore, to step down from his position as secretary-general, leaving the way clear for the Socialists to back President Eanes overtly.

In principle, Sr. Soares' absence from the Socialist leadership is temporary. However, a permanent change of secretary-general would not be unacceptable to Socialists who feel that, if the party is to win back popular support it must present an image free from memories of Sr. Soares' valiant but largely counterproductive struggle to stay in government. His attempts to form alliances with groups to the right or left of the Socialists led to damaging delays in urgently-needed legislation and, finally, to Sr. Soares' dismissal.

Sr. Victor Constancio, one of Portugal's "brightest" young economists, and a former Governor of the Bank of Portugal, Minister of Finance and head of the team negotiating EEC entry, has been mentioned frequently as a possible successor.

## Rocard candidacy casts party into confusion

BY ROBERT MAUTHNER IN PARIS

THE ANNOUNCEMENT by M. Michel Rocard, the 50-year-old leader of the French Socialist Party's right-wing, that he would be seeking the nomination as his party's official candidate in next April's Presidential election, has thrown the Socialists into confusion.

M. Francois Mitterrand, the party leader and representative of the majority which favours an alliance with the Communists, has said he would clarify his position by the end of this week. In spite of the strong support which he can undoubtedly muster within the party, nobody yet knows whether M. Mitterrand—an unsuccessful candidate in two previous Presidential elections—will have a last shot at the highest office in the land.

Nor is it clear what M. Rocard would do if M. Mitterrand decided to run and won the nomination at the extraordinary congress of the party due to take place on January 24, 1981. M. Rocard gave an understating of the party congress in Metz last year that he would not run against M. Mitterrand if the party leader decided to stand.

But since then M. Mitterrand has publicly released M. Rocard from his promise and it remains to be seen whether he will honour his original pledge.

The militants, too, will have a hard time making up their minds between the two potential candidates, since they represent conflicting policies. If ideology were all that counted, M. Mitterrand, the champion of the Union of the Left, would doubtless win the day, in spite of the sorry state of the Socialists' relations with the Communists. But M. Rocard's biggest ace is that his popular support in the country is much greater than that of M. Mitterrand.



M. Rocard: will he honour his pledge?

According to the latest public opinion poll, conducted earlier this month, M. Rocard would win 49 per cent of the total vote against 51 per cent for President Giscard d'Estaing, if the two men were left to fight it out in the final ballot of the Presidential election. If M. Mitterrand were the official Socialist standard-bearer in a straight duel with M. Giscard d'Estaing, the Socialist leader would obtain no more than 40 per cent of the votes and would hand the President a runaway victory.

M. Rocard is therefore the only potential Socialist candidate who could hope to win over floating centrist voters and disaffected Gaullists. But it is almost certain that the Communists, who abhor M. Rocard's particular brand of social democracy, would refuse to swing their votes behind him in the final ballot.

### Italy credit squeeze

THE BANK of Italy will stick to its tight monetary policies over the coming months, Sig. Carlo Ciampi, the bank's governor, said in Milan yesterday. Reuter reports. But some relaxation could be possible if the new Government of Sig. Arnaldo Forlani took non-monetary measures to cut inflation and boost exports, he indicated in a speech to local bankers.

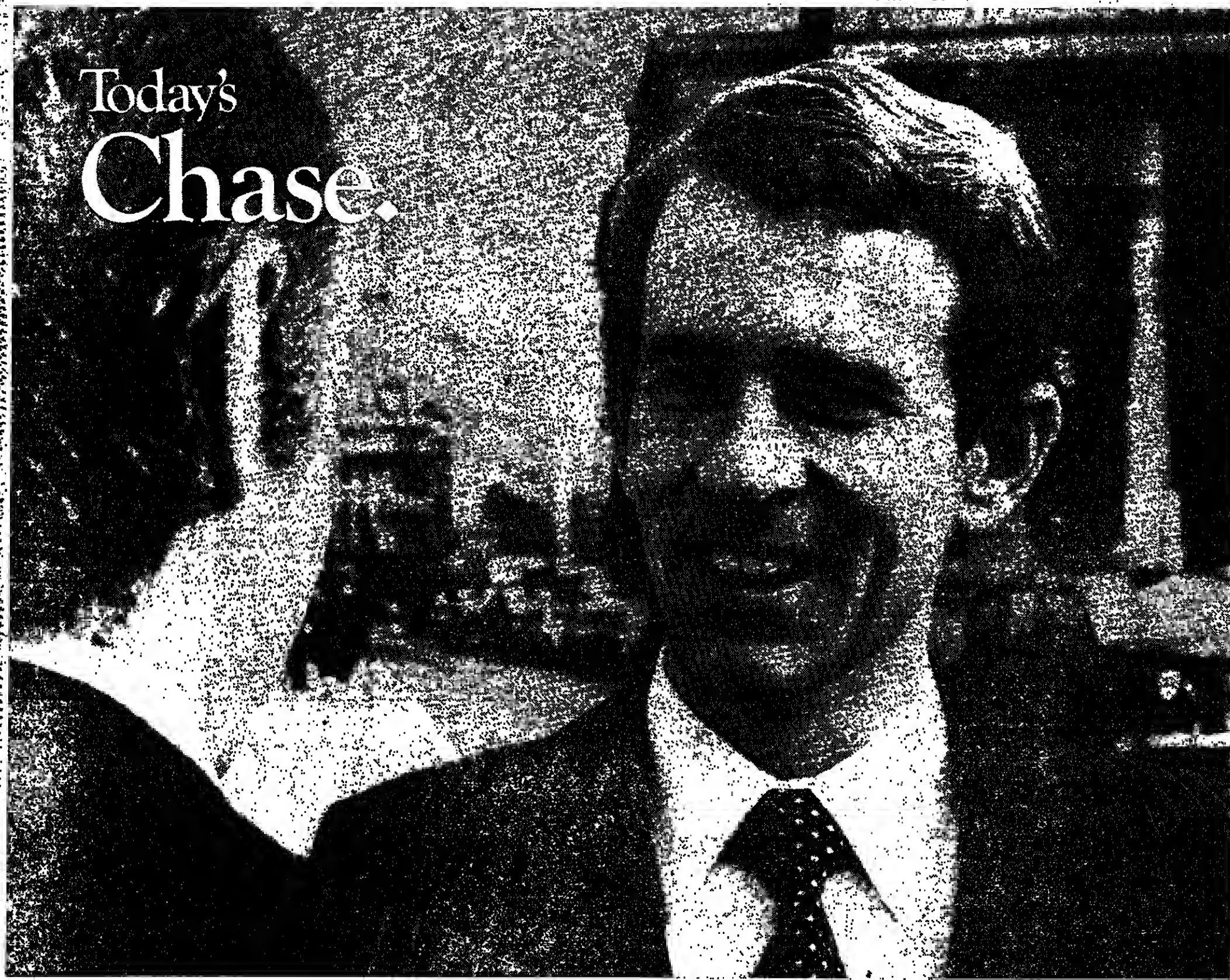
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## EUROPEAN NEWS

# W. German Ministers urge EEC farm cost limits

BY JONATHAN CARR IN BONN

TOUGH PROPOSALS to limit the spiralling cost of the European Community's common agricultural policy (CAP) are being urged by a high-level working group of West Germany's ruling Social Democrat Party (SPD).

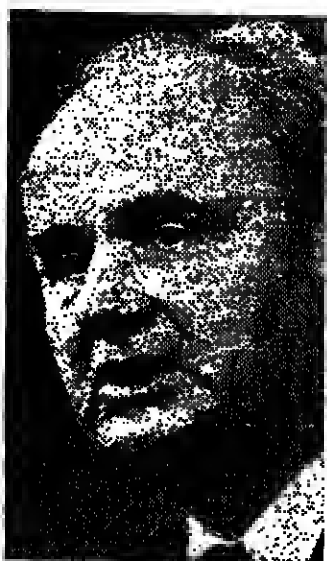
Broadly, the group, which includes several Cabinet Ministers, aims to bring market forces more strongly into play in the farm sector, thus eliminating chronic surplus production.

One key proposal is that limits be set on the extent to which the EEC Commission has to purchase produce from farmers at a guaranteed price, a commitment which has brought growing mountains of butter and milk powder to Community warehouses.

Another proposal is that EEC Farm Ministers must act in future only within financial limits laid down in advance by Finance and Foreign Ministers.

If new measures involving farm expenditure became essential then they would have to be financed by savings elsewhere.

Many of the working group's ideas on changes in the CAP are not new, and they have yet to be approved by the junior partner in the coalition, the Liberal Free Democracy Party (FDP).



Herr Hans Matthöfer

Herr Josef Ertl, the FDP Farm Minister, is unlikely to see several of the suggestions as an attack on the very principles of the CAP—and his views would probably be matched by those of France.

However, there is now greater pressure for changes in EEC farm policy than ever before in both coalition parties. The FDP party conference earlier this year passed a resolution de-

manding reform, despite the intervention of Herr Ertl, who feels that if European policy is undermined the other key elements of the Community will collapse too.

Among members of the SPD group are Herr Hans Matthöfer, the Finance Minister, Herr Herbert Ehrenberg, the Labour Minister, and Herr Klaus von Dohnanyi, the Minister of State at the Foreign Office.

The group was led by Herr Hans Apel, the Defence Minister. At first sight, the choice seems surprising, but Herr Apel is known to have taken an increasing interest in the CAP since a recent visit to Australia and New Zealand. He feels that European farm policy in its present form is partly undermining the economies of those two countries, and hence indirectly their efforts on behalf of Western defence.

## Dutch protest ends

THE ORGANISERS of the largest demonstration against nuclear energy ever staged in the Netherlands decided yesterday to call off their blockade of the experimental power station at Dodewaard, near Nijmegen, after pouring rain and cold winds thinned the numbers of protesters. Charles Batbelor writes from Amsterdam.

## E. German move discourages visitors

By Leslie Collier in Berlin

THE NUMBER of West Berliners visiting East Berlin and East Germany fell by 58 per cent last week. The week before, East Germany quadrupled the amount of Deutsche Marks which

Westerners must exchange into East German Marks to visit East Berlin and doubled the amount for East Germany. The move created one of the most serious impediments in East-West German relations since they were established in the early 1970s.

A West Berlin official said the fall in visitors to the East had been especially steep among retired people and children who previously did not have to pay.

Herr Günter Gaus, West Germany's permanent representative in East Berlin, has been instructed to express Bonn's displeasure with another East German action—the banning of Western correspondents from covering a religious event last week in East Germany.

This is the latest in a series of East German measures restricting the activities of East Berlin-based Western journalists, mainly from West Germany. The measures have included a ban on interviews with East Germans without official permission.

Herr Gaus is to be replaced shortly, a decision which is felt to have reduced the effectiveness of the West German official presence in East Berlin at a critical period in relations.

Some diplomats feel East Germany may be tempted to refuse accreditation to a new West German representative, widely tipped to be Herr Klaus Boelling, the chief government spokesman, until West Germany gives him ambassadorial rank.

## Imports cut hits Yugoslav economy

BY OUR BELGRADE CORRESPONDENT

THE YUGOSLAV economy's poor performance is giving rise to concern in Belgrade, where attempts to reduce the balance of payments deficit have forced the Government to cut imports sharply.

Imports of raw materials and intermediate goods have been reduced so much that some factories are reported to be threatened with shutdown while others are working at only a fraction of capacity.

The Yugoslav Government was forced to cut imports after last year's \$4bn balance of pay-

ments deficit. Even with the restrictions, the deficit is expected to be around \$2bn this year.

The cutbacks are bound to mean a sharp fall in the growth of industrial production which last year reached 8 per cent. For the first eight months of this year the country's industrial production grew by only 3.9 per cent and the rest of the year is likely to be even more sluggish as companies exhaust last year's accumulated supplies.

The Government had planned a 5 per cent growth rate for the

year but would be happy with only 4 per cent, officials say. This would allow it to keep within its target for the balance of payments.

Following the unrest in Poland, the Government is anxious to stave off any dissatisfaction within its own workforce, whose real incomes are being eroded by the quickening rate of inflation. The annual incomes policy had provided for increases in workers' wages linked to increases in the companies' output. But the economic slowdown has put

them well behind the increases earned last year.

The workers have also been affected by shortages of such essentials as meat, detergent and coffee throughout the country, which has fuelled the dissatisfaction.

Further worries for the Belgrade administration have been caused by the Middle East war, which threatens much of the country's oil supplies. Yugoslavia imports two-thirds of its 16m tonnes of crude oil annually, of which 65 per cent comes from Iraq. The second largest supplier is the USSR.

## Worker-bureaucrat conflicts worry party

ZAGREB — A Communist party leader gave warning yesterday that further economic and social deterioration in the position of the country's workers could lead to serious disturbances in Yugoslavia's system of self-management.

Mr. Stevan Doronjski, outgoing president of the party presidium, said conflicts of

interest between bureaucrats and workers also posed problems in implementing the system of decentralised trade unions. He urged officials to pay more attention to the interests of the worker class in formulating economic policy.

Mr. Doronjski was addressing the party's central committee on completing a

one-year term as president of the presidium. He said the issues concerned fundamental ideological and political problems in the development of Yugoslav society. "The vital interests of the worker class are in conflict with the bureaucratic-technocratic interests." It was up to the party to engage all the creative potential of society to solve

the problems. Yugoslavia's decentralised system of trade unions is based in theory on grass-roots decisions with worker councils empowered to review all management rulings. However, technocrats have often usurped the workers' rights, and imposed their own decisions. AP

## Prague and Budapest anxious about Poland

BY PAUL LENDVAY IN VIENNA

AMID GROWING concern in Eastern Europe at the impact of the Polish crisis, Romanian and Hungarian party leaders took startlingly different attitudes to the events in state-ments at the weekend.

President Nicolae Ceausescu, addressing last week's plenary meeting of the Romanian Communist Party's central committee, called on the Polish leaders to take firm action "resolutely rebuffing" anti-Socialist forces. He strongly criticised Polish Communist leaders for past leniency in dealing with "capitalist forms in agriculture" and "serious violations of Socialist ethics." Had the leadership taken firm action

against the "anti-Socialist elements," he said, the upheaval would not have occurred.

At the weekend, too, the Romanian Parliament passed legislation which will force leading party and state officials to declare their private assets, ranging from houses to works of art. Another bill tightens the regulation that Romanian citizens may own only one house or flat. It is widely believed that the blunt statements by the President and the new legislation show Romanian leaders' concern about ferment in the country similar to that in Poland.

In contrast, the central committee of the Hungarian Communist Party has refrained from criticism of Poland, and merely said that the Hungarians were following events with "great attention and a feeling of responsibility." Once again, the party stressed Hungary's interest, as a partner and ally, that the situation in Poland should be "stable."

Instead, Hungary is trying to stave off and possible domestic trouble by improving the system of consultation. In an interview with the central party paper, Mr. Sandor Gaspar, the secretary general of the Hungarian TUC and a member of the Politburo, admitted that, in the past, there had been "stoppages in some

Hungarian plants — or, if you wish, strikes lasting several hours." These were due to what he called the incorrect attitude of management and inaction by local party or union bodies. He also added that, though the right to strike had never been legally enacted, the law did not ban strikes. Mr. Gaspar added that the unions were so powerful that "everything can be settled without strikes."

Though Mr. Gaspar rejected the idea of "free and independent trades unions," he did promise more publicity about the activities of the unions and an enlargement of the role of the shop stewards.

## Pallis seeks confidence vote on NATO

By Victor Walker in Athens

GREECE'S TWO major opposition parties will strongly oppose the Government in a vote of confidence on the country's return to NATO's military wing on Friday. But the ruling New Democracy Party, which commands 177 of the 300 seats in Parliament, should have no difficulty in winning.

The decision to submit the issue to Parliament was announced late on Sunday night by Mr. George Papanicolaou, the Prime Minister, in reply to an attack by Mr. Andreas Papandreu, the leader of the Panhellenic Socialist Movement (PASOK), whose party and the Greek Communist Party want Greece completely out of NATO.

The Prime Minister's statement was the first official word that Greece had accepted proposals brought back on Friday night by the NATO Supreme Commander, General Bernard Rogers, after intensive consultations in Naples and Ankara with Greek and Turkish military leaders. Greece withdrew from the military wing in 1974 after the Turkish invasion of Cyprus.

The Greek Government was apparently waiting for the proposals to be accepted by the NATO military committee in Brussels, of which Turkey is a member and where decisions must be unanimous.

## Phillips abandons Irish offshore well

BY SUE CAMERON

THE U.S.-based Phillips Petroleum has failed to find oil in the Porcupine Basin off the west coast of Ireland. Last month a consortium headed by British Petroleum confirmed the discovery of an important offshore oilfield in the same area.

Phillips, operator for a group of oil interests, said it had completed the drilling of an exploration well on block 35/15, some 100 miles off the Shannon estuary. It had encountered "only very minor shows of hydrocarbons in cuttings while drilling" and a production test had proved negative. The well is being plugged and abandoned.

The group has not given up all hope of finding oil in the area, however. It is planning to drill two more exploration

wells off the west coast of Ireland and intends to start work on the first of them next spring.

Hopes of discovering onshore gas in Ireland and in Northern Ireland have been raised with the announcement that the Dublin Government has issued an exclusive prospecting licence to a new consortium of companies. They include the Irish-based Aran Energy which has a 16.67 per cent interest in the BP-led consortium that found oil in the Porcupine Basin last month. Other members are the U.S.-based Mariner Petroleum, which will act as operator and Mr. W. W. Wakefield. The licence granted is for an area of the North-West Carboniferous Basin, sited mainly in counties Cavan, Leitrim and Sligo.

## N. Sea air traffic warning

BY FAY GJETER IN OSLO

HELICOPTER traffic to and from North Sea oil installations is a danger to air traffic to the area, according to a Norwegian air force officer. Captain Tor Olseio said in an interview yesterday that a powerful radar station should be installed on one of the North Sea platforms to co-ordinate air movements with the helicopters relying on visual sightings at present. It was amazing that there had not been any collisions.

Captain Olseio said the volume of traffic was enormous.

"Coastless helicopters take passengers to and from land bases. In addition, you have the helicopter shuttle service between various North Sea platforms."

The civil aviation authorities and the Ministry of Defence should hold talks to solve the problem.

Captain Olseio is deputy commander of a Norwegian air force squadron which flies maritime reconnaissance missions.

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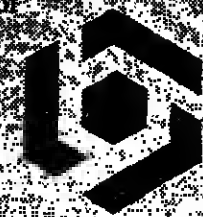
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# Chinese elect local leaders to check power of Peking

BY COLINA MACDOUGALL

MR. LI GAIGUO, a 32-year-old production team leader, was last week elected deputy to a county people's congress in Lintong, in Shaanxi province, one of 429 representatives elected from a list of candidates eight times that number.

This was just one of the steady stream of county-level elections Peking is holding throughout the country as part of a cautious reform of government. It is the first time any form of direct election has taken place above the commune level.

In the local election at Changsha, the capital of Hunan

province, demonstrations broke out and a hunger strike was organised against local officials. One candidate, whose wife is American, had said he was not a Marxist, but a "scientific socialist," and the officials had tried to add candidates to the list of nominations to draw votes away from him.

The report from Changsha suggests that, so far, these elections are genuinely regarded as more than a formality. The concept of electoral democracy is quite unfamiliar in China, but the post-Mao Tse-tung leadership has realised the importance

of having a check on rule by a small group. It is reinstating the division between party and government functions which operated in the 1950s and early 1960s, and is cautiously trying to broaden the base of local administration.

The new electoral law adopted in June last year at the National People's Congress (China's Parliament) provided for direct elections by secret ballot at county level. These are expected to be completed this winter and next spring so that deputies to the National Congress may be chosen from them in the follow-

ing year. An important provision of the new law was that the county delegates should set up a standing committee so that they would have representatives continually in session. On paper, the county-level congress and its standing committee have an impressive list of powers, to supervise local officials and to apply central policy.

The influential party journal Red Flag has forcefully criticised leading comrades who do not follow the electoral law but "want the masses to conduct elections in conformity with their opinions." Some, Red Flag

said, had even casually disqualified the candidates nominated by the masses, denied recognition to those who were legally elected, or boycotted the elections.

Party organisations recommending a list of candidates must seek the consent of the majority of voters and representatives before it becomes valid, Red Flag declared. If these candidates are not elected, the party must accept the result.

In Jilin province, the local paper has revealed numerous illegal practices. For example,

some local party committees had paid only perfunctory attention to other organisations which had the legal right to be consulted. They had drawn up their lists paying no attention to the law that the list should exceed the number of posts.

They had, thereby, eliminated choice. How far the local party committees will allow their powers to be cut, without protesting to the more traditional party leaders in Peking, remains to be seen. These may already have doubts about some aspects of China's modernisation policy.

# MPs to decide on hostages 'in a few days'

BY OUR FOREIGN STAFF

THERE IS only a remote chance that the 52 U.S. diplomats held hostage in Tehran since last November will be put on trial, the speaker of the Iranian Parliament, Hojatolislam Hashemi-Rafsanjani, said yesterday.

He said the Parliament, given responsibility for the fate of the hostages, will decide on the conditions for their release, in the "next two or three days." He expected Iranian demands to be for a return of the Shah's wealth, cancellation of U.S. claims against Iran, release of frozen funds and U.S. guarantees of non-interference in Iran.

A strong faction in the Iranian Parliament has demanded in the past that at least some of the hostages should face trial. Suspicions that the Iraqi attack on Iran was encouraged by the U.S. has caused some deputies to call for a postponement of any decision on the hostages' fate. "As long as there is the question of war, the issue of the hostages is not important," one deputy said yesterday.

The Iranian leadership has denied that there is any possibility of the hostages being released in return for U.S.-made spare parts for Iranian military equipment.

On the battlefield both sides claimed yesterday to have inflicted heavy casualties on the other. Iraq said that its armoured columns had consolidated an "air-tight siege" of Ahadon and Khorramshahr. The Iranian high command said house-to-house fighting was continuing and its navy was evacuating Iranian wounded "with difficulty."

The Islamic Conference's secretary-general, Mr. Habib Chatti, visiting Iran as part of his peace mission, was taken on Sunday to the oil province of Khuzestan where most of the fighting is taking place. Iran has continually asked for



THE GULF WAR

mediators to condemn the Iraqi invasion.

Mr. Chatti was quoted by Tehran radio yesterday as proposing, in talks with Ayatollah Khomeini, a plan for heads of Islamic countries to seek an end to the war. But Mr. Chatti told reporters there was no plan. He said he had given the Ayatollah a message from Islamic Foreign Ministers calling for negotiations between Iran and Iraq.

The Ayatollah said earlier that total mobilisation of all citizens might be declared to wage a holy war against Iraq. He was said to have indicated to Mr. Chatti that he wanted President Saddam Hussein out of power in Baghdad as an Iranian condition for ending the 25-day-old conflict. "His people should get the freedom to decide their own destiny," the Ayatollah said, according to Tehran radio.

Iran's Defence Council announced that it had changed the name of Khorramshahr—Fertile City in Farsi—to Khumshahr, which means "City of Blood." The council, which took charge of the conduct of the war last week, said the change of name was a tribute to the "epic resistance" put up by Revolutionary Guards against the Iraqi invaders.

Meanwhile, Baghdad has denied that it is receiving any additional military supplies from the Soviet Union through the Jordanian port of Aqaba.

# Bombing embarrasses Marcos

BY OUR MANILA CORRESPONDENT

THE PHILIPPINES Government of President Ferdinand Marcos was seriously embarrassed yesterday when 5,000 delegates to a U.S. convention in the capital, Manila, decided to cancel their meetings following a bomb explosion in the convention hall on Sunday night. The Government has ordered the arrest of 29 opponents of the regime.

The blast occurred in the presence of President Marcos at opening ceremonies for the 50th annual meeting of the American Society of Travel Agents. Eighteen people were slightly hurt.

Early yesterday officials of

the society decided to cancel the convention on the grounds that the security situation made it "less than prudent" to continue.

The abrupt cancellation came as a surprise. Previously the society had made a show of sticking by its Manila venue in the face of warnings from a dissident organisation calling itself the April 6 Movement.

Previous bomb incidents, apparently intended chiefly for propaganda effect, have been attributed to the movement. All their attacks have been directed at tourist organisations or timed to coincide with tourist conventions, probably as a way of

hitting the country's vital income from tourism and of attracting international attention.

Many see the bombings as an expression of opposition frustration over President Marcos's firm grip on power and his continuing commitment to martial law.

President Marcos yesterday signed arrest warrants for 29 people associated with opposition groups. They include exiled opposition leaders such as former Senators Benigno Aquino and Raul Manglapus and prominent resident opponents such as former Senator Jovi Salonga.

# West Bank mayors' appeal fails

BY DAVID LENNON IN TEL AVIV

AN APPEAL by two prominent Palestinian mayors against their deportation from the Israeli occupied West Bank of the Jordan five months ago has been rejected by the military government's appeal committee. The mayors now intend to appeal for a second time to Israel's Supreme Court.

General Benjamin Ben-Elzezer, the West Bank military Governor, yesterday informed the deportees' lawyer, Mrs. Selicia Langer, that he had accepted the recommendation of the appeal committee not to permit the mayors to return home.

The mayors, Mr. Fahd

Kawasmeh of Hebron and Mr. Mohammed Mithem of Halhoul, were deported on May 2. A few hours after six Jewish settlers had been killed in a Palestinian ambush in Hebron.

Israel charged that the mayors had incited the population and thus bore responsibility for the ambush.

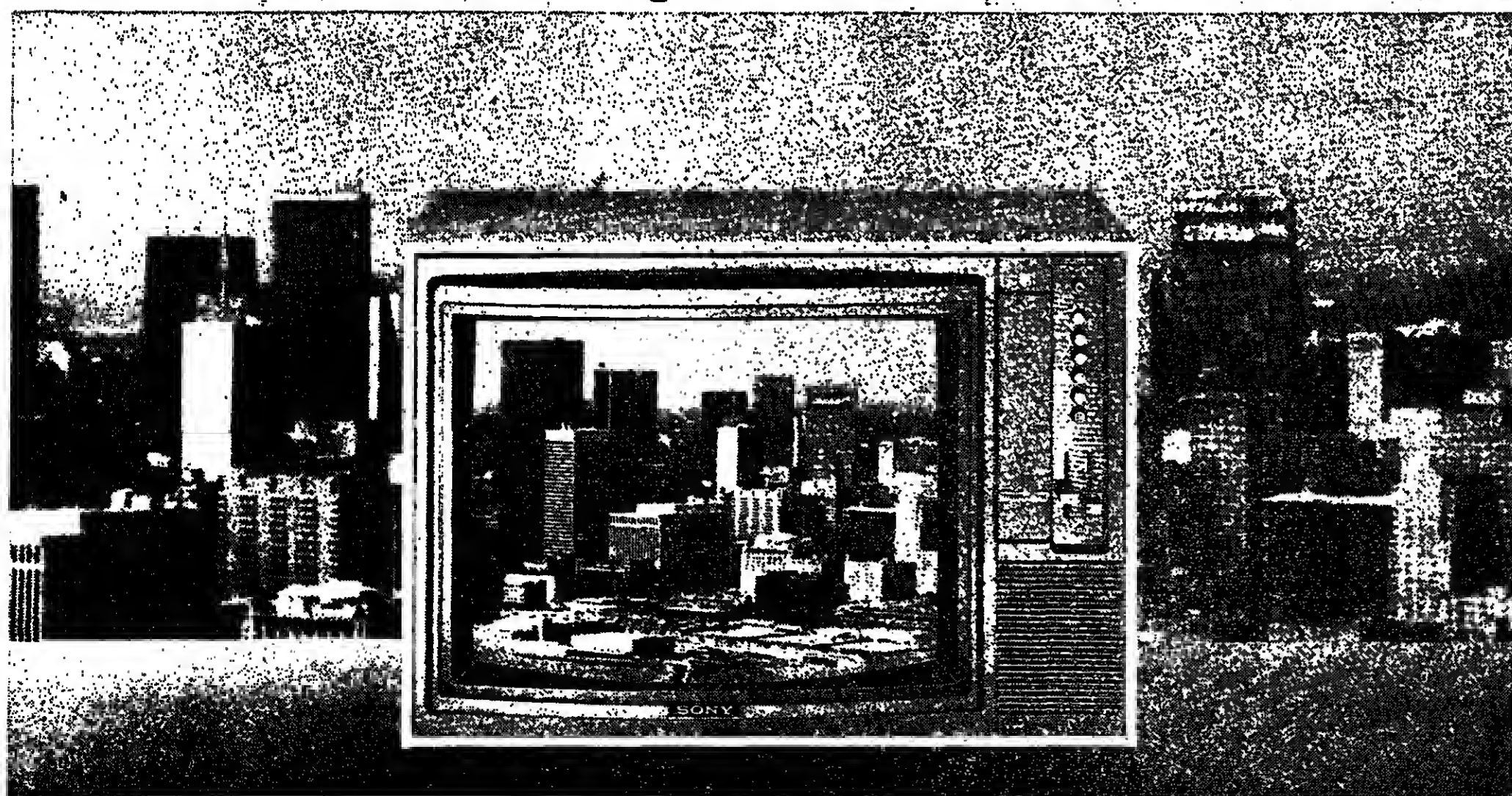
The two men were permitted to cross from Jordan to the West Bank a week ago to appear in person before the military appeal committee. They were immediately placed under detention at the Allenby Bridge passenger terminal, and the appeals committee held its hearing there. Both men denied

charges of incitement and spoke in favour of peaceful co-existence between Jews and Palestinians.

Mrs. Langer said yesterday that she intended to seek a Supreme Court injunction barring the expulsion while she prepares a new appeal to the court against the deportations. During a previous hearing in August the Supreme Court refused to cancel the deportation orders.

The Mayor of Bethlehem, Mr. Eliaz Freij, yesterday described the military government's decision as "an infringement of the human rights of the two mayors."

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# Delhi faces new crisis over Assam's 'foreigners'

BY K. K. SHARMA IN NEW DELHI

THE Indian Government is facing further economic disruption and social tensions in Assam following the failure of talks with student representatives from the oil-rich state over the deportation of "foreigners."

After three rounds of talks which have yielded no agreement on the deportation of mainly Bengali non-Assamese from the north-eastern state, the students have announced that they will resume the agitation which paralysed economic activity in Assam for nearly a year.

The students have allowed Government offices and industrial establishments to function normally over the past two months while talks were in progress, but have refused to allow any crude oil to be exported from Assam. Oil is their main weapon and their blockade of oil production and distribution has left three Indian refineries closed for the past nine months.

Assam produces about 3.5m tonnes of crude a year and the state's production is needed urgently because of disruption of supplies from Iraq and Iran which together supplied 12m tonnes annually or about two thirds of India's imports.

The students' leaders are to meet at Gauhati, the Assamese capital, later this week to decide what form their resumed agitation should take. The previous campaign over 10 months took the form of a civil disobedience movement which paralysed all economic and official activity in Assam. Later the trouble spread to all seven north-eastern states.

The talks between the students and the Government broke down over the date of entry of "foreigners." The students want all non-Assamese who entered the state from 1951 to be sent out. The Government thinks this is impracticable and only wants to deport "foreigners" who settled in Assam after 1971.

Although the Government wants further talks and has announced unilateral measures to identify "foreigners" who entered after 1971, the students have announced that the talks have failed and that their agitation will be resumed.

The authority may adopt a hard line and use the recently promulgated National Security Ordinance, which gives it powers of preventive detention without trial. But during the earlier agitation stern official measures were counter-productive and led to an increase of popular support for the students.

# India seeks Soviet aid for energy development

BY OUR NEW DELHI CORRESPONDENT

INDIA proposes to seek large-scale Soviet assistance, particularly in the energy sector, during the sixth plan period, 1980-85. The aid is required for the setting up of super-thermal power plants, the laying of high voltage transmission lines and also for coal mining.

In a 15-year perspective India has already drawn up, power generation is to be stepped up from the present capacity of 30,000 MW to 100,000 MW with an investment of some Rs700bn (£38bn).

A Soviet team visited India recently for discussions on long-term economic planning. As a result a delegation headed by Mr. N. D. Tiwari, India's Minister for Planning, is leaving for Moscow today at the invitation of the Soviet planning organisation, Gosplan.

**CONSIDERING  
A MAJOR  
EXPORT PROJECT?**

See page 13.

Midland Bank International



## Brown warns arms race may cost \$100bn

BY DAVID BUCHAN IN WASHINGTON

THE CARTER Administration yesterday swiftly responded to Mr. Ronald Reagan's contention that the way to halt the Soviet nuclear arms build-up is to scrap the SALT-II treaty and to begin negotiations for a third SALT pact with more concessions from Moscow.

President Carter said: "It is extraordinarily naive to expect the Soviet Union would meekly accept what we would immediately and totally reject."

His criticism was followed by a speech from Mr. Harold Brown, Defence Secretary, who claimed that if the death of SALT-II presaged a new arms race, it would cost the U.S. "anywhere from \$50bn (\$12.4bn) to \$100bn more over the next decade just to stay even" with the Soviet Union.

The dormant debate over the SALT-II treaty—signed by Presidents Carter and Leonid Brezhnev in June 1979, but not ratified by the U.S. Senate in reaction to the Soviet invasion of Afghanistan—has suddenly sprung to life in the closing days of the Presidential election campaign.

Mr. Carter has been hammering away at the theme that Mr. Reagan's foreign policy, typified by his opposition to the SALT-II pact, would increase the chances of war. Made aware of the effectiveness of this attack in slipping opinion poll ratings, particularly among women, the Republican campaign team on Sunday television hour of Sunday television air-time to address these fears directly.

"My views have been dis-

torted in what I can only conclude is an effort to scare people through innuendoes and mis-statements of my position," Mr. Reagan told television viewers. He was committed to "peace through strength," he said. "Only if we are strong, will peace be strong."

Mr. Reagan touched on various campaign promises: to continue the "rapid growth" in relations with China—in contrast to his earlier focus on Taiwan—to improve consultation with NATO allies in Europe, to give a higher priority with U.S. neighbours in the eastern hemisphere, and to lessen foreign policy making disputes between the State Department and National Security Council.

But the core of his campaign pitch on foreign policy was his view that the Soviet Union must not be allowed to "race ahead" on nuclear arms.

Mr. Reagan, who has advocated considerable U.S. defence spending increases said: "We need to remove their (Russian) incentive to race ahead by making it clear to them that we can and will compete if need be; at the same time we tell them that we prefer to halt this competition and reduce nuclear arsenals by patient negotiation."

However, the Administration is not relenting in its attacks on Mr. Reagan's policy. Mr. Brown said yesterday he could find "absolutely no evidence, or logic, or even hope" that the Russians would accept a nuclear arms pact less in their favour than the SALT II treaty.

## Colorado's 'lean deal' Democrats under fire

BY JUREK MARTIN IN DENVER, COLORADO

COLORADO IS best known for its Rocky Mountains beauty, not its politics. Yet what happens in this conservative state on November 4 to two of its present Washington representatives could have an impact on the Democratic Party's future which would go way beyond the state borders.

Senator Gary Hart and Congressman Tim Wirth, both first elected in the Democratic wave of 1974, after Watergate, are, perhaps a little self-consciously, leaders in trying to move the Democratic Party down new paths.

These would take it away from the classic liberalism of President Franklin D. Roosevelt, which lived on until the early 1970s, towards a philosophy recognising limits and costs without sacrificing social goals: the "lean deal," rather than the "new deal."

Mr. Hart, many political experts believe, wants to carry his philosophy to the highest plane by running for President in 1984. He is, after all, a serious student of politics—he was Senator George McGovern's campaign manager in 1972 and it is often forgotten that although the Presidential election that year was a debacle, the primary effort was brilliantly conceived and executed.

Mr. Wirth's abilities are often ranked higher, although his ambitions are more modest. He, more than anyone else, was instrumental in getting the

House of Representatives to defeat President Jimmy Carter's proposed Energy Mobilisation Board this summer. That is not his only legislative scalp.

Both, however, are fighting for their political lives in their state which will, in any case, go overwhelmingly to Mr. Ronald Reagan in the presidential race. Mr. Wirth's problem is eternal because his district is very marginal for any Democrat. Mr. Hart, however, is the victim of the sort of phenomenon which can disrupt the best-laid plans.

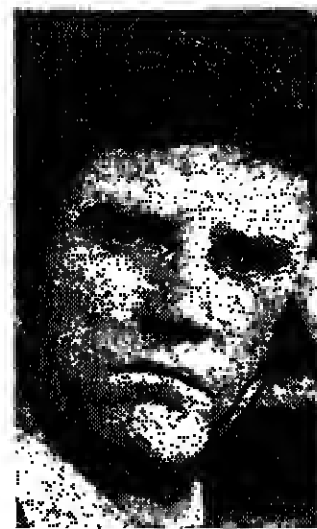
What no one could have foreseen was that Mr. Hart, handsome enough to be a sex symbol in his own right, could have run into a different sort of sexual phenomenon—what Mr. Wirth calls "the embattled woman syndrome."

Mrs. Mary Estlin Buchanan is a 46-year-old divorced mother of six and Colorado's Secretary of State. By declaring her senatorial ambitions she upset the carefully constructed local Republican apparatus. She had to sue her own party to get on to last month's primary ballot. Against all expectations she won.

To the extent that her opinions are well formed, Mrs. Buchanan is a moderate Republican. She supports equal rights for women and the right to have an abortion. In her campaign, she criticised Mr. Hart for his votes against 37 specific items of defence spend-



Senator Gary Hart... Presidential ambitions for 1984



ing—and then turned round and said she probably would have voted the same way on most of them herself.

It may not matter as all what Mrs. Buchanan says or does, but only how enduring is her image as a fighting female. Mr. Wirth, for one, is worried it will last until November 4.

Mr. Hart may have brought some of his problems on his own head. He has worn his national ambitions on his sleeve—it was not exactly tactful, no matter how honest, to be quoted in

the Wall Street Journal as wishing that he could tell the people of Colorado to "buzz off" for a while while he contemplated the great national issues.

Beyond this is the very legitimate question of how far a representative can travel beyond his constituents. Colorado is a parochial state, but Mr. Hart's interests are national and international.

Thus he has emerged as an acknowledged Senate leader on defence, particularly the Navy. He is a big supporter of buying

the Harrier, the British jump jet, for the Marine Corps. He opposes giving the Pentagon a blank cheque, but not selective increases in the defence budget. His accomplishments have elicited praise even from Senator Barry Goldwater, the ancient Republican warhorse.

Mr. Wirth appears the more practical of the two. He admits a fascination with coalition politics as a substitute for the political parties' fading power. His success in getting the House to oppose the Energy Mobilisation Board and the influence he wields on the energy and budget committees is testament to his effectiveness.

The Energy Board vote does not connote blind environmentalism. Mr. Wirth argues that conservation, like a barrel of oil, has a price which must be acknowledged and which will not diminish.

But government should not, in his view, be empowered to ride roughshod over local ordinance, as he says it would have under Mr. Carter's Energy Board. But, he argues, it does not make sense to take a meat axe to government, no matter how unpopular it may be.

Neither Mr. Hart nor Mr. Wirth spends much time in this campaign defending the present head of government, President Carter. Both content themselves with telling their audiences that Mr. Reagan would be worse. Mr. Wirth's view of President

Carter ("a bright guy surrounded by kids in short pants") is that he is a transitional figure in the evolution of the Democratic Party. His replacement as head of the party, now or in 1984, will be comparable to the change of 1960, when President John Kennedy ushered in change.

If this view is accepted, the old liberal guard of the 1960s, led now by Senator Edward Kennedy and Vice-President Walter Mondale, may even be cast as the forces of darkness in the next changeover. And they are vulnerable forces, as Mr. Carter's defeat of Mr. Kennedy this year showed.

That defeat of the party's Prince Hal probably removed the inhibitions of other Democrats of different political colours, if not substance, from challenging for party leadership in the future.

If not Mr. Hart, the would-be leaders are likely to include his old law school classmate, Governor Jerry Brown of California, or Senator Joseph Biden of Delaware or Senator Bill Bradley of New Jersey. But, as the Colorado experience shows, politicians should not run before they know how to walk, lest they slip over the unexpected, like Mrs. Buchanan, or the uncontrollable, like the snowstorm which, Mr. Wirth says, would make him lose if it happened on November 4.

## Supreme Court dismisses anti-trust damages case

BY DAVID LASCELLES IN NEW YORK

THE SUPREME COURT yesterday dismissed a case which industry and the legal profession had widely expected would settle the vexed issue of how damages arising from anti-trust cases should be apportioned. But the question could still be resolved in other cases.

The point at issue is whether defendants in anti-trust cases can demand that damages be shared by all defendants, including those who enter into settlements before the trial had started. The issue is important, since companies can rush to settle before trial and avoid paying heavy court-ordered

damages. On the other hand, companies who take their cases to court can end up paying huge damage bills.

The case arose out of a complex anti-trust suit in the corrugated paper business in which more than 26 manufacturers were accused of price-rigging over a period of 18 years. Many of the defendants settled out of court.

But three of them, Westvaco, Packaging Corporation, and Georgia-Pacific, among the largest in the business, filed a petition with the Supreme Court, arguing that the legal principle of "contribution" should apply in anti-trust cases. They subsequently settled their cases out of court, however, which is why the Supreme Court decided yesterday to dismiss the petition.

Two other cases which raise similar issues are pending, and these could bring clarification, although the Supreme Court has not yet said whether it will hear them.

## American will head Bermuda monetary body

By Keith Hunt in Hamilton, Bermuda

BERMUDA has for the first time chosen an American to head its Monetary Authority. Mr. Merlin N. Trued takes over as managing director from Mr. Alan Humphreys, who was seconded to the island three years ago from the UK.

The move comes after the Bermuda Government expressed dissatisfaction with the performance of the authority. Mr. Humphreys, whose contract expires in November, said he was ready to stay on until next year. But the Government declined his offer.

The Government said it was "taking a fresh approach" in turning to the U.S. Mr. Trued is a former economist with the Federal Reserve Bank in New York.

## El Salvador violence 'kills 220 in week'

SAN SALVADOR—222 persons have died in political violence last week, the interim Archbishop of San Salvador said on Sunday.

Mgr. Arturo Rivera y Damas also said young Salvadoreans should take advantage of a Government amnesty offer to guerrillas who would lay down their arms. Last week the five-man ruling junta said elections would be held in 1982 and offered the amnesty.

However, killings and bombings continued over the weekend with attacks against businesses and Government offices.

Police said one of about 12 bombs reported damaged a Texas Instruments factory on Sunday.

AP

## Chile banishes leader of Christian Democrats

BY MARY HELEN SPOONER IN SANTIAGO

THE CHILEAN Government has prohibited Sr. Andres Zaldivar, Christian Democratic leader and former Finance Minister, from returning to the country following an interview published in the Mexican newspaper Uno Mas Uno.

Sr. Zaldivar, on holiday in Jerusalem, has been accused of waging a "systematic campaign designed to denigrate our country abroad" by General Augusto Pinochet's military regime.

Sr. Zaldivar had earlier criticised the September 11 constitutional plebiscite which effectively prolonged Gen. Pinochet's rule for at least eight years, calling the vote a fraud and a farce.

The article was apparently based on statements Sr. Zaldivar made in Chile to a Uno Mas Uno correspondent.

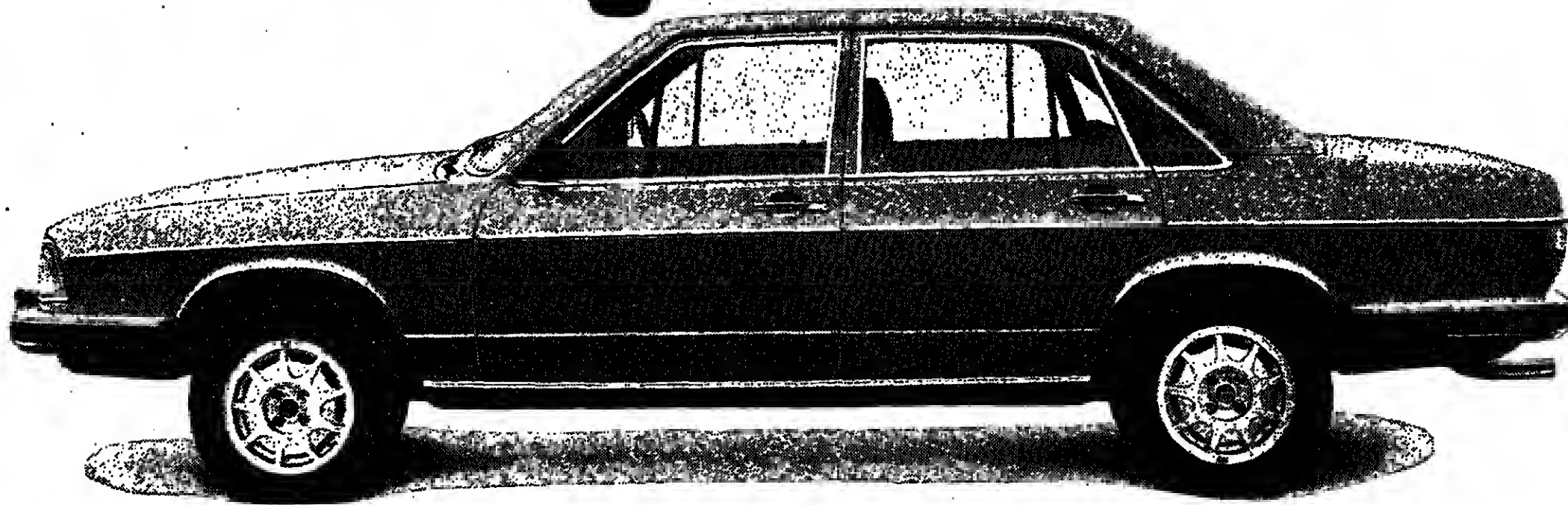
Sr. Zaldivar has denied making the statements and Uno Mas Uno has admitted the final version of the article which appeared on October 16 was not the same report filed by its correspondent in Santiago.

The decree banishing Sr. Zaldivar from Chile cites passages from the article, and charges him with conduct "against the interior security of the state."

The decree also called on Chileans to reject "the extreme posture which some political leaders are seeking to impose," and noted that Gen. Pinochet had called for national unity following the plebiscite.

Opposition leaders in Chile are said to be studying the measure against Sr. Zaldivar, and have not yet reacted publicly.

# If not, why not?



	Retail Price	Max Speed mph	Acceleration 0-60 mph	Overall mpg	Boot Capacity (cu.ft.)	Average Interior Width (ins.)	Fuel Octane Rating
Audi 100 L55	£6,690	110	11.7 sec.	26	23.0	57.5	**
Citroën Athena	£6,875	109	12.1 sec.	23	16.8	53.0	****
Ford Granada 2.3L	£6,656	104	13.6 sec.	23	14.3	55.0	****
Volvo 244 GL	£7,674	98	14.6 sec.	N/A	21.5	50.0	**

Information Source: "What Car" Magazine. Prices are for 1980 specification manual versions including Car Tax and V.A.T. at the current rate.

A glance at the table above may prompt you to ask why all those Citroën, Ford and Volvo drivers are driving Citroëns, Fords and Volvos.

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room not only than its three keenest competitors, but also virtually any car you can buy in this country.

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## The Audi 100 five cylinder.



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OFFICIAL FUEL ECONOMY FIGURES FOR THE AUDI 100 L55: URBAN: 18.5 MPG (16.3 LITRES/100 KM); AT 56 MPH: 23.0 MPG (12.6 LITRES/100 KM); AT 75 MPH: 25.9 MPG (10.9 LITRES/100 KM). ALLOW WHEELS SHOWN ARE AN OPTIONAL EXTRA. FOR MORE INFORMATION WRITE TO AUDI MARKETING DEPT., WAG LAUNDERS, 22221 LTD., VICTORIA ROAD, BLANDFORD, DORSET BH9 4AP. TELEPHONE: 01258 8401.



## Joint venture casino for Budapest

By Paul Lendvai in Vienna

THE FIRST gambling casinos to be opened in a Warsaw Pact and Comecon member-State will be opened in the Budapest Hilton hotel next year under the terms of a unique joint venture agreement signed in Vienna by Dr. Josef Staribacher, the Austrian Minister of Trade, and Dr. Vilmos Saghy, his Hungarian counterpart.

A joint company, called Casino Budapest Ges. MBH, has been set up under the 10-year contract with the Hungarian Danubius AE State Hotel Trust holding 51 per cent of the \$6.7m (£3.8m) basic capital and their Austrian partner, the Oesterreichische Spielbanken the rest.

This is the first time the Austrian company has acquired an interest in a foreign gambling casino. Ironically, the Austro-Hungarian venture will use the West German mark as the official currency for gambling purposes.

The first casino in an Eastern Bloc state was opened in the mid-1960s in already nationalized and unorthodox Yugoslavia. Bulgaria opened a casino — under a co-operation agreement with a Japanese company — in Sofia a year ago.

The Austrian side disclosed that 45 Hungarian pupils are being trained and tested in a school for croupiers recently set up in Budapest.

## THAI ECONOMY

# Thirst for oil counters export effort

BY DAVID BUTLER IN BANGKOK

DESPITE AN excellent export effort, Thailand is expected to end the year with an unprecedented \$3.0bn (£1.25bn) trade deficit, up 58 per cent over 1979. The total bill for imported crude oil and other petroleum products is expected to be an enormous baht 60bn (\$3bn).

Thai consumption of imported oil products increased only 2.8 per cent by volume over 1979. But the OPEC price increase means that the country's oil bill jumped 83 per cent over last year. The \$3bn figure represents almost a third of projected total imports, and about 45 per cent of Thailand's total export earnings.

Thailand is at the tail end of a consumption-oriented boom and on the threshold of a smaller, capital-intensive expansion associated with the exploration of major reserves of natural gas in the Gulf of Thailand.

Although the country's growth rate slowed in both 1979 and this year from the 7 per cent a year level that had become routine in the 1960s and 70s, the economy continued to have considerable demand in the industrial, construction and commercial areas. Imports of capital goods this year are projected to be up 21 per cent over 1979. The comparable increase for consumer goods is projected

at 30 per cent. Only outlays for raw materials are low, up just 5 per cent over 1979, when producers went on a stockpiling binge.

Exports for 1980 are projected to reach \$6.7bn, a 24 per cent increase over 1979. A drop in the volume of rice available for export, resulting from the premature end of the rainy season

refined sugar at the low prices set by the Government. Much was stockpiled by major users, hoarded or smuggled out to Malaysia, avoiding official statisticians.

Income from exported canned shrimp was down 21 per cent because of a drop in price compounded by a drop in volume, while the catch was off as a

by the U.S., Saudi Arabia and the EEC.

Mr. Prateep Sondysuwan, the director of the Governor's office at the Bank of Thailand, said the Government is seeking new markets in the Middle East and in Eastern Europe, as well as within the Association of South-east Asian Nations (ASEAN), the regional grouping that links Thailand with Malaysia, Indonesia, Singapore and the Philippines.

The arrival of natural gas from the Gulf, due to start arriving on shore late next year, will offer only limited relief to Thailand's very serious energy crunch. The country must import capital equipment for long-planned industrial and infrastructure projects, some of them in a "growth zone" along the eastern seaboard associated with the natural gas. It faces continued outlays for civilian aircraft and for military equipment to counter a perceived threat from Vietnam, which has 200,000 troops in neighbouring Kampuchea.

The immediate outlook is for even greater trade deficits, accompanied by massive foreign borrowing. But by the mid-1980s, the exploitation of domestic energy sources, energy conservation, a slowing of capital imports and stepped up export promotion could bring the country's trade back into reasonable balance.

	EXPORTS	IMPORTS	TRADE BALANCE
1976	60.80	72.88	-12.08
1977	71.20	94.18	-22.98
1978	83.04	108.90	-25.84
1979	108.18	146.16	-37.98
1980	133.6	199.6	-65.00

(1980 projections from Bank of Thailand)

in late 1979, was almost precisely offset by the rise in world prices. The value of the next five major export commodities — rubber, tapioca products, tin, textiles and maize — all rose by percentages ranging from 9.6 per cent (for maize) to 31.4 per cent (for tin).

But the seventh and eighth most important Thai exports fell off sharply this year. Earnings from sugar dropped by more than 18 per cent despite — or perhaps because of — the high world price. Millers and traders halted at producing white and

result of the steep rise in the price of diesel fuel and the spread of 200-mile fishing limits.

The direction of Thai trade is basically healthy. While Japan remains Thailand's major partner for both exports and imports, its relative importance in both roles has been declining gradually over the past 10 years. Thailand's most important markets, in order, are Japan, the EEC, the U.S. and Singapore. As of the first quarter of 1980, its major suppliers were Japan, followed

## Polish credit line backed by ECGD

By Our World Trade Staff

THE Exports Credits Guarantee Department is backing two lines of credit for exports of chemicals and artificial fibres to Poland and for exports of mining equipment to Mexico.

The first is a loan of \$30m (£12.4m) arranged by Barclays Bank International to Bank Handlowy of Warsaw and the second is a loan of \$20m arranged by Lloyds Bank International to Industrial Minera Mexico.

British Aerospace has won a £3m contract for the construction of a firing range for Rapier anti-aircraft missiles in Brunei.

Plessey Avionics and Communications has received a £3m order from an unspecified African country for containerised gun sound-ranging systems.

Hallam Group of Nottingham has won contracts worth £4m for the sale of prefabricated homes, including orders from the Netherlands and Germany.

ML Engineering (Plymouth) is designing and supplying a modernised signalling system worth £1.25m for the Malaysian railway.

Rubery Owen, the West Midlands motor components manufacturer, is supplying £400,000 worth of chassis side members to Saab Scania in Sweden and £250,000 worth of axle-cases to Metalurgica Santa Anna in Spain.

## Statoil to help China draw up offshore plans

BY FAY GJESTER IN OSLO

STATOIL, THE Norwegian state oil company, is to act as consultant to the Chinese Government, now on the verge of allocating promising exploration concessions in its offshore waters. It will be the first time the company has undertaken this kind of job for a foreign government.

Initially, at any rate, Statoil will not be involved in exploration or development offshore China. Its role will be to advise on the legal, technical and economic aspects of grant-ings concessions to foreign oil companies.

To this end, it will open an office in Peking, headed by Mr. Agnar Langeland, the deputy finance director, and earmark personnel in Norway to co-ordinate the consultancy work. Statoil experts in various fields will then be seconded to the Peking office for limited periods, as they are needed.

At the moment the Chinese are particularly interested in geophysicists and geologists who can help evaluate seismic data. Over the past year seismic surveys have been made in Chinese waters by a large

number of foreign oil companies — U.S., European and Japanese.

Evaluation of this material — some 60,000 profile kilometres — will help the Chinese to decide which areas should be explored first and what kind of licensing conditions they require.

### Study courses

A Statoil spokesman said yesterday that the consultancy venture was the result of a request made by the Chinese about two years ago, when then Oil Minister, Mr. Bjartmar Gjerd, was visiting China. He could not say what the company would be paid for its services, but pointed out "the idea is not to make money, anyway." Rather, it was intended as a helping hand to a friendly government.

Statoil has already held two courses in Stavanger, for groups of Chinese personnel who are going to have to deal with multinational oil companies. A Statoil delegation which has been in China for talks about the scheme returned to Stavanger at the weekend.

## Brazil firm on nuclear programme

By Andrew Whitley in Brasilia

AGAINST A background of cuts in Government spending, Brazil is to press ahead with its controversial, and highly expensive, nuclear power programme.

Sr Antonio Delim Netto, the powerful Planning Minister, confirmed yesterday that an initial set of four 1300 MW power stations ordered from Kraftwerk-Union (KWU), the West German concern, at an estimated current cost of \$8bn (£3.3bn), will be built. Nor is there to be any scaling down of work on the country's two largest hydro-electric projects, based on the Itaipu and Tucuruí dams, which together will have an eventual capacity of over 16,500 MW.

The Tucuruí station, deep in the Amazon on the Tocantins river, will provide power primarily for the exploitation of the massive mineral deposits in the Carajas region further west.

In general, however, the Brazilian Government is seeking to reduce its spending on all capital projects over the next two to three years, as part of its efforts to bring down the rate of inflation. Sr Delim said a wide range of other less essential development programmes, including hydro electric schemes and the improvement of the railway system, would be delayed.

No official figures are available on the savings that will be made through the postponement of these projects, although they could reduce the state's cash outlay during the next difficult years by as much as \$2bn.

The local Press has suggested that the completion of the originally envisaged eight nuclear power stations from West Germany might be postponed once again to the year 2000, from the original deadline of 1990.

But the Planning Minister said that the cost construction benefits to be gained from completing at least four of the KWU installations, and the fact that access to the complete uranium fuel cycle will only be available once the entire programme is completed, were overriding considerations.

## Lisbon lays down law on Scotch fraud

By Diana Smith in Lisbon

PORTUGAL'S TRADE Ministry has, so to speak, scotched the great whisky scandal.

It has issued a decree this week rigidly defining what is and what is not whisky, and laying down strict rules for blending imported concentrate, bottling, labelling and marketing what, henceforth, will be called "genuine Portuguese whisky."

Marketing of genuine imported Scotch, aged and bottled in Scotland meanwhile, will be covered by equally stiff rules.

The authorities have the legal tools to discourage and prosecute local forgers who have blended concentrate with whatever takes their fancy, including ethyl alcohol, placed it in local bottles with local labels that cleverly mimic the genuine Scotch article and sold the bogus product at genuine imported Scotch prices.

Sheltering under vague definitions of whisky and equally vague bottling or marketing laws, "Socavem Scotch" — nickname for the spurious product — flooded the Portuguese market, crept into Spain and seemed to be travelling perilously close to France and the EEC countries.

This deeply worried Scottish distillers, whose reputation in Portugal suffered from the forgers' success. Consumption of whisky — about £3m worth in 1979 — was dropping here, for customers found it hard to distinguish between real Scotch bottles and imitations, and feared unpleasant side-effects from the dangerous additives to the forged product.

New stipulations that whisky blended from imported concentrate must be aged here for no less than three years, placed in bottles with "Whisky of Portugal" embossed on the base and covered with unremovable labels should deter forgers seeking a quick return on a tiny investment, and permit genuine imported Scotch to regain its market.

## U.S. seeks recruits for export service

BY PAUL CHEESRIGHT

THE U.S. Government's drive to strengthen its export support services has moved a stage further with a recruitment campaign for officers to serve in the new Foreign Commercial Service (FCS).

The first 50 career officers will be in place early next year, according to Business America, the international trade journal of the Commerce Department. So far the FCS has been staffed by State Department officers on secondment.

The build-up of the FCS follows decisions taken as part of President Carter's 1979 Trade Re-organisation Plan and reflects official concern that the U.S. has been at a disadvantage compared with major competitors in the export markets.

"Especially France and the UK, but also Italy, Japan and Canada have much larger staffs and budgets. Their government policies and support programmes have been much more substantial in export promotion," said Mr. Erland Heginbotham, director general of the FCS.

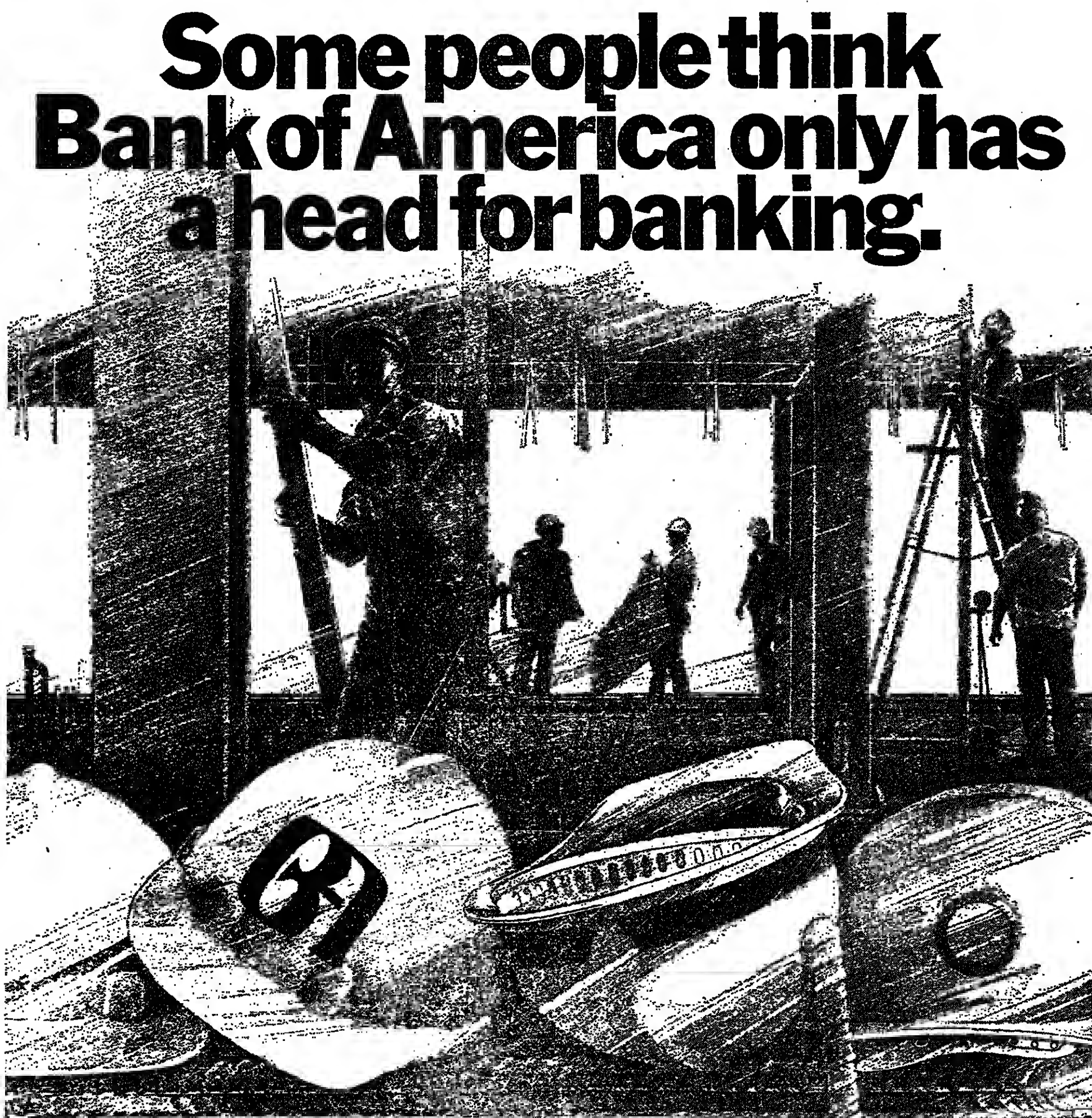
The FCS will represent U.S. export and investment interests

in 65 countries, but it is concentrating effort on six countries which account for roughly half of U.S. exports. Business America notes that substantial FCS staffs have been built up in West Germany, Japan, Mexico, Australia, Saudi Arabia and the UK.

This concentration of effort finds a parallel in recent moves in the UK Department of Trade and in the British Overseas Trade Board, where an Exports to Europe Branch has been created to intensify promotion work in the area of most immediate trade importance.

However, the fresh U.S. approach to trade promotion seems to rely more on formal training of officers than the UK system. And whereas the vast majority of applicants for FCS posts have come from the private sector, most UK official trade promotion work is carried out by career civil servants.

UK trade specialists have observed that the U.S. has been examining European Government export support services for some time with it appears the desire to pick up and develop any system it finds useful.



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## Dawn raid plans 'too severe'

BY CHRISTINE MOIR

STATUTORY POWERS are needed to prevent groups of shareholders acquiring significant stakes in companies without disclosing their common interest, the Council for the Securities Industry (CSI) said yesterday.

However, it was not necessary to strengthen companies' existing powers to punish shareholders who resist disclosure.

CSI was commenting on the recent Green Paper, Disclosure of Interest in Shares, drafted in the atmosphere of controversy after De Beers' acquisition of nearly 30 per cent interest in Consolidated Gold Fields in February.

A Department of Trade investigation found that companies associated with De Beers and Anglo American built up a near 15 per cent interest in Consolidated Gold Fields without disclosing the fact.

Their action merely exploited a loophole in the Companies Act which requires disclosure only of individual holdings of 5 per cent or more.

The Government now proposes to close that loophole with the backing of CSI.

however, CSI disagrees with the Government's proposed method of plugging the loophole—by extending the definition of an "interest" in a share through a complex formula.

CSI believes it would be safer and simpler to write in a simple "provision which would refer to persons who acquire shares as a result of an agreement (formal or informal) or understanding between them or who combine to acquire shares."

It is also concerned about the Green Paper's proposals to extend companies' powers to secure the disclosure of share interests.

Companies can already take powers to refuse to register anonymously owned shares and, CSI believes this is a sufficiently powerful weapon. It says power to cancel the shares so that the shareholder forfeits their value is unnecessarily strong.

It feels companies should not be encouraged indiscriminately to demand disclosure of an interest from anyone other than the shareholder himself. High court permission should be needed to approach an agent, CSI suggests.

## European textile aid 'too little, too late'

By Our Chemicals Correspondent

IMPERIAL Chemical Industries yesterday attacked the European Commission for doing "too little, far too late" to help the textile and fibre industries in the UK and on the Continent.

Mr. Bill Duncan, deputy chairman of ICI, told a meeting of the Society of Chemical Industry in Zurich that the Commission "lacked the political will" to take speedy and effective action against dumping and other "unfair trading practices."

He stressed that the Commission did have the means to act. "The EEC Commission already has the powers under the General Agreement on Tariffs and Trade to act promptly on the receipt of a prima facie case of dumping," Mr. Duncan said.

What is lacking is not the means but the political will. The Commission's approach to the problems of the textile and fibre industries has produced too little, far too late.

There is concern that some member states may now have started subsidising their fibre industries contrary to the 1978 Agreement. One can only hope that once a new Commission is in place and the U.S. Presidential elections are over, that more rapid and incisive action will be possible.

Last week ICI announced that it was going to close two UK fibres and fibre raw material plants.

The group said its fibres operation had lost £38m in the first six months of this year. ICI blamed the increase in cheap fibres imports to Europe—particularly from the U.S. where producers enjoy low Government controlled energy and raw material costs—as well as overcapacity and falling demand for the cuts.

Mr. Duncan said yesterday that U.S. exports of man-made fibres had increased from 133,933 tons in 1970 to 625,000 tons in 1980. The U.S. competitive advantage had several components but "prominent among them" were the fall in the value of the dollar and "access to feedstock and energy at subsidised prices."

"The U.S. has the unfair advantage of low, regulated feedstock prices, although for oil this system is due to be phased out by the autumn of next year and for gas later in the decade," Mr. Duncan said.

## Leyland speeds truck project in Europe

BY JOHN GRIFFITHS

LEYLAND VEHICLES has speeded its programme to gain European legislative approval for the new T45 trucks, and will enter some major Continental markets in the middle of next year instead of 1982 as previously planned.

The T45 Roadtrain 16.28, a 38-40 tonne tractor unit launched as the "flagship" of the range in March, goes on sale in its latest sleeper-cab form in France, Belgium, Holland, Spain and Denmark.

Other models in the range—five launched so far to extend eventually down to 16 tonnes—will be introduced to Europe in stages.

LV's European sales to date have been small, about 1,000 trucks a year, mostly Marathons. However, its skeletal network of European dealers and distributors has been helped stay in business by the Sherpa van, for which LV, as BL's truck and bus arm, has marketing responsibility.

Recently LV has sought to strengthen the European network, weeding out weaker operations and embarking on a morale-boosting campaign for others. But serious attempts at expansion are likely to have to wait until after the T45 has made its debut.

Even before its launch the T45 was being called LV's "truck for Europe."

But its first job was to regain some of LV's lost ground in the UK, where its market share has dropped from over 30 per cent in 1973 to under 18 per cent last year.

Despite the recent onrush of short-time working T45 production is ahead of targets. Next week the 1,000th model is due to be delivered, against an initial target of the same number of all 1980.

Meanwhile, flushed with the success of its first major sponsorship venture in which Australian Alan Jones won the Grand Prix motor-racing world championship in Williams cars sponsored jointly by LV and Saudi interests, LV said yesterday that it would back Williams, again with the Saudis, in 1981.

No sums have been disclosed, but it is estimated that a two-car grand prix sponsorship now costs some £1.5m-£2m a year.

Mr. Frank Andrew, LV's sales and marketing director, said: "It has been an excellent investment, meeting every objective we made. We are determined to build on that success, and will use the team to support the launch of our T45 Roadtrain throughout Europe."

## More people covered by private health plans

By Tim Dickson

THE NUMBER of people covered by private health schemes rose by more than 26 per cent in the 12 months to September 1980, it was revealed yesterday.

At the end of last month the three major schemes—British United Provident Association, Private Patients Plan and Western Provident Association—had 1,55m subscribers covering a total insured "provident population" of 3.7m. This represents 6 per cent of the population, or one person in 17.

The discrepancy between subscribers and total insured arises as a result of the large number of families included under one scheme.

In the last year the number covered for private medical care has risen by almost 750,000, according to a quarterly survey published by Lee Donaldson Associates, Consultant Economists.

"Poverty trap" GOVERNMENT failure to reduce income tax further, which has so far benefited "only the tiny minority earning more than £500 a week," is undermining the welfare system and simultaneously failing to restore the incentive to work, claims a report published today.

Government policy has aggravated the poverty trap and added a new dimension to the unemployment trap, says the report published by the Outer Circle Policy Unit.

Cycling award T. REYNOLDS, the British cycling frame subsidiary of Tube Investments, has won the coveted French award—the "Guidon d'Or"—for its services to cycling.

Contact lenses IN AN article in the Financial Times of October 14, it was stated that Focus Contact Lenses was charging opticians £5 for a pair of hard lenses and £16 for soft lenses. We have been asked by the company to point out that the minimum charge to opticians is £5.25 per lens for hard lenses and £14.50 per lens for soft lenses, plus Value Added Tax.

## Receiver called in at farmers' co-operative

BY RICHARD MOONEY

THE COLLAPSE of markets for meat by-products has claimed another victim.

Hertfordshire Quality Livestock Producers, a farmer-owned co-operative with an £11m-a-year turnover, has called in the receiver.

The co-operative blames its failure on depressed markets for hides and offals—the co-called fifth quarter of the meat industry.

Mr. Peter Harper, HQLP's managing director, said low meat prices and tight margins had made the company heavily dependent on profits from these products. Inflation and high interest rates had also eroded its trading base over the past 18 months.

"Our board could see little prospect of a return to profit in the meat business in the present economic climate and decided that the interests of members and creditors would be best served by asking the group's bankers to appoint a receiver and manager," he said.

Principal creditors are Arbutnot Latham and Co. Prices of hides have fallen sharply this year in response to reduced world demand for leather. The British Leather Federation's price index fell to 156 in June, compared with 579 at the same time last year.

The price boom last year was partly to blame, as it resulted in severely reduced consumption, and the recession has not helped. In addition, Eastern Bloc demand has virtually disappeared.

This is due to a glut of leather there following the heavy cattle slaughtering forced by the U.S. embargo on feed grain sales.

Meanwhile, the market for edible offals has been little better, reflecting the general decline in meat. Slaughtering has been receding, and poor returns for edible offals have actually been bailing to pay for the inedible offals to be taken away.

Most inedible offal is rendered into fat or oil and the world oils and fats market has been poor because of heavy vegetable oil supplies.

Adding to the problem has been the escalation in energy prices which has raised renderers' costs. As a result, demand has evaporated and slaughterers, who are not generally allowed to dump or burn these waste products, have been in the extraordinary position of receiving a negative return from the renderers.

## Call for further aid for developing countries

BY HAZEL DUFFY, INDUSTRIAL CORRESPONDENT

A SECOND "Marshall Aid" plan to help the developing countries was called for by Baroness Jackson.

Baroness Jackson, president of the Institute for Environment and Development, was speaking at the 25th "Women of the Year" lunch, Baroness Jackson said the industrialised countries and those belonging to OPEC should repeat the extraordinary act of generosity extended by the U.S. Government after the last war.

She drew attention to the relative decline in the amount of aid being donated by the developed countries, "who between them account for 80 per cent of the world's resources and 90 per cent of the world's industry."

Mrs. Marie Patterson, the senior trade union official, reminded the 600 women guests that progress in certain areas relating to the working woman had been minimal in the past 25 years.

She cited the desperate lack of child care facilities. Mrs. Patterson said no matter how determined people were to see that equal opportunities legislation be implemented in spirit as well as to the letter of the law, there had been an almost complete failure to provide the basic care that women needed for their children if they were not to have to take time out of their working lives.

Lady Latham, the organiser of the annual event for the past 25 years, recalled that the first lunch was necessary to remind men of women's achievements. Many more women were in employment, many combining successfully a career and a family but she had to admit that the need for the event was still there.

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## Giveaway papers allowed to publish TV programmes

LOCAL free-of-charge newspapers will, in future, be allowed to publish full details of BBC and independent television programmes.

The decision, announced yesterday by BBC and Independent Television Publications, represents a victory for giveaway newspapers which have campaigned for several years to be allowed to publish a television programme guide.

BBC and independent television companies have always refused to allow any free newspaper to publish programme details, although paid-for newspapers have been allowed to.

Both organisations have relented following pressure from the Office of Fair Trading. It considered that the programme companies' policy of discriminating between free and paid-for newspapers could "inhibit competition for advertising revenue."

The Office of Fair Trading had considered taking action against television companies under the new Competition Act. But it has now decided against any formal investigation following the companies' decision to change their policies.

The move boosts the status of giveaway newspapers. These papers first became established in the late 1960s and early 1970s and were cheaper to produce than normal local newspapers because they concentrated almost entirely on advertisements to the exclusion of editorial.

However, over the past decade some giveaway newspapers have steadily increased their editorial coverage.

Of 400 or so free newspapers currently publishing, about 125 have an editorial content of 20 per cent or more, compared with 33 per cent or more of editorial content in a paid-for local paper.

## Construction orders down by 23%

By James McDonald

NEW ORDERS for the construction industry are still running at levels considerably lower than a year ago, according to the latest Environment Department figures.

In the three months to end-August new contracts for construction work in Great Britain, based on constant (1975) prices were 23 per cent lower than in the same period of 1979 and 6 per cent less than in the previous three months, March to May, this year.

The public housing sector was again the worst affected, with new orders 47 per cent less than in the same three months of last year and 20 per cent lower than in March to May this year.

Private sector housing was also badly hit.

## Swedish family library sold for £86,025

THE LIBRARY of the Thre family of Sweden, originally Eyres from Scotland, was sold at Sotheby's yesterday for £86,025, with 1.7 per cent bought in. There was strong Scandinavian interest, an Icelandic buyer paying £7,500.

It has been an excellent investment, meeting every objective we made. We are determined to build on that success, and will use the team to support the launch of our T45 Roadtrain throughout Europe."

## SALEROOM

BY ANTHONY THORNCROFT

over twice the forecast, for a first edition of the Bible in Icelandic, printed in 1584.

Lyon, the London dealer, bought an illustrated description of Sweden, with 368 plates, published in Stockholm from 1817-67, for £2,000.

At Christie's South Kensington, tableware was in demand in a silver auction which totalled £40,393.



## We are still looking for the owner of a bag about this size: where can he be hiding?

We ask the indulgence of our readers for bothering them again on the same subject. Against the background of worldwide civil aviation it's undoubtedly a trifle, but not for the particular passenger involved. And hence not for Swissair.

For obvious reasons we would like to avoid the need for a third advertisement on this matter.

A third appeal may not be needed if we narrow our search a little. Our transit staff, to whom we are grateful, have given us the hint that bags are often left behind by business people in a hurry, flying off somewhere for a meeting and back home as fast as possible; and that business people often think not so much about their luggage as such but more about the important documents in it.

This argument carries some weight in the respect

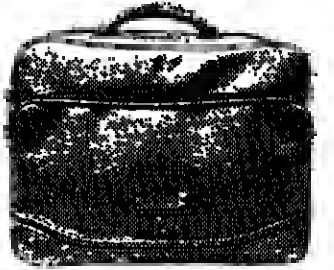
that Swissair's direct connections at Zurich (as at Geneva) are so good that they do in fact invite you to fly Swissair from London, Manchester, or Dublin via Switzerland to, say, Athens, Moscow, Belgrade, Istanbul or Bucharest for negotiations, and equally comfortably back home again.

And we know from experience too, (in the interest of our search modesty must briefly take second place), that it is not only quick connections among more than 40 European Swissair destinations which appeal to executives, but also Swissair's luxury, punctuality, and dependability. (Who wants to reach the conference table exhausted or hours late?)

We are almost sure, therefore, that the person we are looking for is a businessman (or businesswoman?) travelling within Europe who probably favours flying First Class even on short trips because he or she can then concentrate more fully on his or her work. He (or she) will be particularly pleased that the First Class cabin in our new, bigger and quieter DC-9-81s is equipped with 12 sumptuous leather easy chairs and a separate galley and lavatory. (With this luxury in First Class, it is no great surprise that even in the Economy Class there is commensurate comfort with only five, not six seats abreast.)

For the time being we are happy the bag, possibly with important files, is at least safe in our Lost and Found Office at Zurich Airport. But we shan't feel at ease until the rightful owner has claimed it.

Now we are dealing with the affair of the bag for a second time, we want to take the opportunity to assure you that Swissair or your travel agent will gladly give you detailed information on the best connections for you (and your bag) to the 40 or more destinations in Europe.



Description of the bag found on September 24 at Zurich Airport: 55x35x25cm. (21x14x10in.), brown leather, outside pocket with empty name-tag holder.

swissair



# Chemicals plan for shifting sands

Sue Cameron on moves to control natural gas liquids

U.S.-BASED Dow Chemical and UK-based Highland Hydrocarbons have just put in rival bids for a small but vital piece of land at Nigg Bay on the Cromarty Firth—potential site for a giant new petrochemicals complex.

The two companies are among those fighting for control of the natural gas liquids that will be brought ashore by the £1.1bn gas gathering pipeline planned for the North Sea.

Dow and Highland want to use the liquids as raw material for making ethylene—the so-called building block of the petrochemical industry—at Nigg.

Other contenders include Shell Chemical, BP Chemicals, Esso Chemicals and Imperial Chemical Industries, which all want the gases to be piped south for use in their existing ethylene plants.

Occidental, of the U.S., is also interested in using the natural gas liquid, in a plant it wants to build at Peterhead on the Scottish coast.

But the supporters of a development at Nigg Bay make up a powerful lobby. A petrochemicals complex there would bring jobs to an area of high unemployment.

Yet, there appears to be grow-

ing confusion over the important question of who controls the land at Nigg.

Planning permission to put up a gas separation plant and an ethylene plant was granted for the land—irrespective of who owns it—earlier this month by the Highlands Regional Council. But the land where Dow, Highland and the British Gas Corporation want to build their plants is all offshore. It will have to be reclaimed before anyone can build anything there.

This is why the piece of land that Dow and Highland have both tendered for in the past few days is so important—it is owned by Mr. and Mrs. T. D. Scott, local farmers. It covers some 60 acres only. But without it, the task of reclaiming the rest of the foreshore at Nigg will be immeasurably more difficult.

Dow, which unveiled its plans for a £400m petrochemicals complex at Nigg three weeks ago, already has a large chunk of land at the site in conjunction with Cromarty Petroleum.

Between them, they have about 1,600 acres of which about 500 acres is below the high tide mark. The rest is dry land. Cromarty Petroleum and Dow own the 500 acres—the important part because that is

where Dow wants to build — on a 50-50 basis.

Dow itself also owns 50 per cent of Cromarty Petroleum. The other 50 per cent is held by Universal Tankships which is owned by Daniel K. Ludwig, the international oil entrepreneur.

Yet Dow and Cromarty Petroleum's control of the land they have bought at Nigg appears to be hedged with ifs and buts. For one thing, the Cromarty Firth Port Authority has special powers to move in to take any land in the area for reclamation purposes, giving only 21 days' notice.

The authority was granted this power when it was set up in 1974 but the right lapsed at the end of 1980. Earlier this year the authority applied to the Parliamentary Commissioners to have it extended.

The commissioners made an oral recommendation that it should not be extended. But it is believed their written report on the question is a good deal more ambiguous.

The man responsible for taking a final decision is Mr. Norman Fowler, Transport Minister. So far, Mr. Fowler has not made up his mind.

There is reason to think that Mr. Fowler will not be too hasty in coming out against the Port Authority. If it were decided to

build a petrochemicals complex at Nigg, and if Dow's own plan did not win approval, then the authority's powers could prove extremely useful.

Highland Hydrocarbons wants to build an ethylene plant at Nigg and have it run on a "common user basis." At present Dow could halt such a scheme merely by sitting tight on the land it has bought in Cromarty.

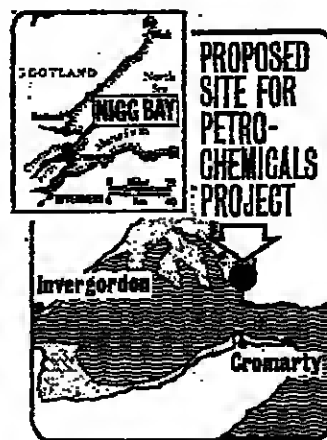
Such a situation would not please anyone—least of all the Government which wants to avoid unnecessary delays once the fight over the North Sea natural gas liquids had been settled one way or another.

If Dow refused to compromise on a scheme that involved its sharing or selling part of the land it has bought, the Port Authority could fall back on compulsory purchase. But this would take much longer.

The other question about Dow's title to the 1,600 acres at Nigg is that the Crown has rights over all land between the high and low water marks.

The Crown has waived its rights to the Nigg foreshore. But the waiver does not necessarily mean that those rights automatically devolve on those who have bought the land.

It is noteworthy that the British National Oil Corporation already has a presence at



Nigg. The state oil corporation said at the weekend that it was thinking of going into the petrochemicals business. It was also confirmed that ENOC has held talks with a number of petrochemical companies, including Highland Hydrocarbons.

ENOC is in a key position because it will control some two thirds of the natural gas liquids coming through the new gas gathering pipeline. It is currently building an oil terminal at Nigg—on land reclaimed last year—for crude from the North Sea Beatrice field, where it is the operator.

The main battle continues to be over the future destiny of the North Sea natural gas liquids. But the question of the foreshore at Nigg promises to lead to bitter skirmishes.

## Oilman to head NEB software marketing

By Guy de Jongh

MR. JAN SMIT, a retired Dutch oil company executive, was named yesterday as chairman of Inscac, the company set up by the National Enterprise Board to market British computer software (programmes) abroad.

The NEB also plans to appoint non-executive chairmen, probably mostly outsiders with extensive business experience, at several of its other subsidiaries involved in aspects of computer technology.

These include Inmos, the integrated circuit manufacturing venture, Aregon, which sells videodata systems overseas, and Nexos, which is developing and marketing advanced office products and information systems.

The new chairmen, who will be named after close consultation with the subsidiaries concerned, will be expected to ensure that the companies adhere to sound commercial strategies based on market demand.

In the case of Inmos, the new chairman will also be expected to supervise preparations for the planned sale of shares in the company to private investors in three or four years' time.

When they were first set up, the subsidiaries had chairmen who were members of the NEB Board, which resigned late last year. Since then, most of them have been headed on an interim basis by NEB staff members.

Mr. Smit, who is 56, retired recently from the chairmanship of Shell's lubricants operations. He spent much of his career seeking to expand Shell's American markets, a background which is expected to help Inscac establish itself in the U.S.

Inscac was conceived initially as the nucleus of a consortium of software companies in which the NEB had acquired a substantial minority interest. The intention was that Inscac should develop and sell computer programmes, particularly to American customers.

But the consortium failed to turn out as planned, partly because only five companies were persuaded to join it and because of disputes between its members.

Inscac is now attempting to modify its strategy, by enlarging the range of products which it markets and by selecting them from more British companies. It hopes to expand its consultancy activities and to enter the field of computer services.

## Spong to lose 158 jobs by December

SPONG AND CO., hardware manufacturer and wireworker, is to make 158 of its 218 staff redundant at the end of the year.

The Basildon-based company lost £350,000 in the first six months of 1980. It said the production of certain types of kitchen equipment is to be discontinued, including mincers.

The company plans to move to smaller rented premises so its leasehold property can be sold.

Spong says that this year exports of its traditional products have fallen by 25 per cent compared with last year. In the UK, sales have increased by 21 per cent in the same period.

Staffordshire's ailing pottery industry was dealt another blow yesterday with the news that the Wedgwood group is to make 140 workers redundant. The company's workforce has already been reduced by 1,000 in the last 18 months.

Wedgwood said: "Arising out of the world recession and the present economic policy of this country a further 140 redundancies have been declared."

mainly in the earthenware division, among the Wedgwood group's 9,000 workforce."

The group suffered a £24m fall in profits last year—a drop of nearly a third. Sir Arthur Bryan, chairman, says he is confident Wedgwood will emerge successful from this difficult period.

Thirty jobs have been lost with the closure of the last velvet cutting mill in Stoke-on-Trent, Staffs.

Olympic Redacre said: "It is very sad, but it is the usual thing—cheap cloth coming in from abroad and the loss of orders. It is happening everywhere."

A cut of 200 in the 1,200 workforce of the Coventry engineering and component firm, Covrad, has been reported by shop stewards. They hope to reduce this in talks later this week.

More jobs may go by the end of the year unless the company gets help under the Government's short-time working compensation scheme. The company said the plant was suffering from the recession.

Details Page 27

## Dow to set up new bank

BY MICHAEL LAFFERTY

DOW Banking Corporation, the Swiss bank owned by Dow Chemical of the U.S., is to set up a new bank in London with two Scandinavian banks as minority shareholders.

The bank will be chaired by Mr. Harold Hitchcock, the former head of international operations at National Westminster Bank. Mr. Hitchcock became a member of Dow's Zurich board shortly after his retirement from NaWest.

In the London joint venture Dow will be partnered by Sundsvallsbanken, one of Sweden's largest regional banks, and Bank of Helsinki, a large Finnish commercial bank. It is expected that Dow will own 60 per cent of the London bank, with the two other banks each taking 20 per cent.

The basis of the bank will be Dow Banking's existing London branch, which will be incorporated.

## New York Times link-up

THE FINANCIAL TIMES has signed a major contract with The New York Times for a news service. It will put selected items from the FT into the international network of The New York Times news service, starting immediately.

The FT is to provide 5,000 words a day, selected from items to be published in the following day's issue. The material will be transmitted through The New York Times network, enabling newspapers and magazines to publish it on the same day as the Financial Times. The

service will cover political, economic, financial and commercial news.

The contract will enable FT to speed up communication through The New York Times transmission network, and reach an expanded range of clients worldwide.

The New York Times news service has more than 500 clients. It carries material from such newspapers as Le Monde and Der Spiegel in addition to that from The New York Times itself.

## British Petroleum's £186m oil rig project a 'long, costly and bitter experience'

BY RAY DAFTER, ENERGY EDITOR

THE DECISION to exploit the North Sea Buchan Field with a converted semi-submersible drilling rig has been a costly time-consuming bitter experience according to the field's operator, British Petroleum.

The field is due to come on stream later this year—more than 18 months behind the original schedule. The cost of the project is now put at £186m, some 40 per cent more than the first estimate.

Mr. Eric Daraborough, BP Petroleum Development's Buchan project manager, says in a paper to be published on Thursday that, despite the company's "somewhat bitter experience" with Buchan, it believed the basic approach of using a floating production system was right.

But the company would not contemplate using another con-

verted rig for production purposes.

Mr. Daraborough says: "Based on Buchan experience, a purpose-built rig would cost substantially less than a conversion and could have been completed in the time scale actually attained."

The paper will be one of over 150 reports on offshore technology to be presented at the European Offshore Petroleum Conference and Exhibition during the next four days at Earls Court, London.

The exhibition, sponsored by the Society of Petroleum Engineers and a number of other bodies closely associated with the offshore industry, has attracted 250 manufacturers and service companies. It is expected that more than 15,000 scientists, managers and en-

gineers from 20 nations will attend.

A feature of the discussions will be an assessment of production prospects for small fields, like the Buchan reservoir. The amount of oil in the Buchan field is estimated to be 390m barrels although, at present, it is expected that only 50m barrels will be recovered.

Even so, as a result of increasing oil prices the Buchan project will still be an economic proposition, says Mr. Daraborough.

He points out that one of the reasons against rig conversions is increasingly stringent regulations which give rise to more comprehensive differences between drilling rigs and production platforms.

The Buchan platform was originally the Drill Master semi-submersible rig,

## Gas is still cheapest fuel 'for use in the home'

BY MARTIN DICKSON, ENERGY CORRESPONDENT

GAS REMAINS by far the most economical fuel for home heating and cooking, according to figures published yesterday by the British Gas Corporation.

The corporation's latest guide to fuel running costs estimates the annual bill for gas central heating and hot water in a typical London semi-detached house would be £201 a year at October 1980 prices.

Using solid fuel, the bill would be £256, electricity would cost £338 and oil £341.

The guide says cooking by electricity can be four times as expensive as gas. In a house which uses gas for more than one appliance, cooking by gas can cost as little as £17 a year.

The cost would be higher—about £44 a year—if the cooker was the only gas appliance because the bill would have to include standing charges.

British Gas says even this higher figure "compares very favourably with the estimated average cost of cooking by electricity which works out at around £71 a year."

Both British Gas and area electricity boards have raised prices by about 20 per cent this year.

Maurice Sammelson writes: Better design and management of buildings could save Britain about £5bn a year, the equivalent cost of building 200,000 council houses, 2,500 schools or 250 hospitals. Mr. Bryan Jefferson, president of the Royal Institute of British Architects, said.

He was speaking at RIBA's launch of a compact £450 electronic calculator for use by architects in designing energy efficient buildings.

To discover new opportunities for one of the world's leading silver producers, a man must be realistic and resourceful.

His banker must be the same.



Federico Delgado, Treasurer Vice-President, Industrias Peñoles.

Lawrence Miller, Vice-President, Chemical Bank. Photographed at Industrias Peñoles' Metallurgical Division in Torreón, Mexico.

Today, Mexico's Industrias Peñoles is a mining, metallurgical and chemical leader. And in a country that produces more silver than any other, Peñoles produces more silver than any other company in Mexico.

A privately owned Mexican enterprise engaged in the production of high purity materials derived from mineral resources, Peñoles has seen its sales increase ten-fold in the past decade. Thanks to the foresight of company management, the financial guidance of Treasurer Vice-President Federico Delgado, and the flexibility of Mr. Delgado's Chemical banker, Lawrence Miller.

In 1969, to maximize its growth

potential in the industry and to minimize its dependence on price-sensitive lead and zinc, Peñoles embarked on a major program of exploration and expansion—for which substantial amounts of money were required.

That's when Peñoles got together with Chemical. Of course, Peñoles was doing business with other major U.S. banks. But at a time when the company's expansion ran up against falling mineral prices, Chemical Bank was both receptive and responsive. With Larry Miller's knowledge of the company, and his confidence in management's ability to handle their ambitious program, he arranged to

lend Peñoles over 50 million dollars. With the funds provided, Peñoles substantially increased capability. And with Mr. Miller's demonstrated understanding and responsiveness to the company's changing needs, Mr. Delgado has since come to him for help with investments and cash management services.

Based on the professionalism exhibited on both sides, the relationship between Mr. Delgado and Mr. Miller has ripened into one of mutual respect. That's what usually happens when corporate officers get together with Chemical bankers. And what results is long-term benefits for both the company and the bank.

The difference in money is people. **CHEMICAL BANK**

## Iberia, Universal.



Iberia is universal. Like the Spanish genius of Pablo Picasso. Universal because Iberia is the 2nd biggest airline in Europe and the 6th in the world. And it is also the airline that flies more times to and from America.

Universal because Iberia flies you between any American and European airport. Or to 14 in Africa. Or to 3 in the Middle East.

Universal because Iberia connects 94 cities in 4 continents.

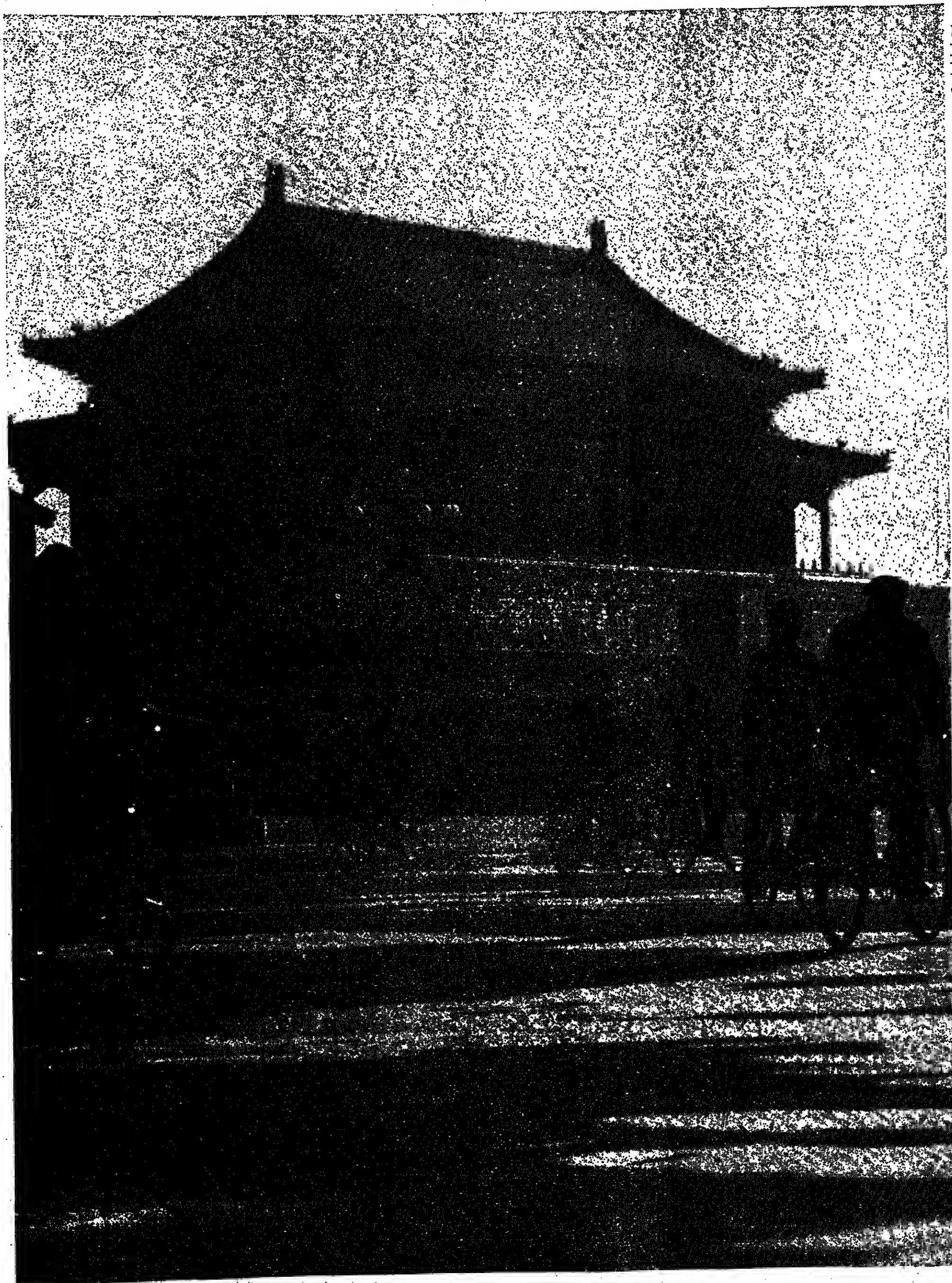
Universal because with Iberia, wherever you're going, wherever you're coming from, there will be lots to see along the way.

\*By number of passengers transported. (IATA statistics 1979).

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INTERNATIONAL AIRLINES OF SPAIN  
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# Beijing. First Chicago is there.



Tian An Men Square, Beijing

On October 21, 1980, First Chicago became the first U.S. bank to open a Representative Office in the People's Republic of China. The first to give you direct access to a world of new business opportunities.

First Chicago, Beijing, is staffed with experienced international bankers who are also China specialists.

From our vantage point in China's capital, we can provide the assistance you need to do business with the People's Republic.

We can put you in touch with the right partners for trade and investment. We can help you structure proposals for sales, compensation trade, countertrade and major projects in China.

First Chicago can help you prepare for contract negotiations, issue import and advise export letters of credit, handle funds transfers worldwide. And we can provide a variety of short and medium term financing to support Chinese and other international customers.

In addition to our staff in Beijing, our China Group has experienced, Chinese speaking bankers strategically stationed in Hong Kong and Chicago. And you can contact them directly or through First Chicago offices all over the world.

From Beijing to Brussels, from Sydney to São Paulo, wherever the opportunities are in international trade, First Chicago is there to help you make the most of them.

Your First Chicago relationship manager can help you find out more about China and how we can be of special assistance there. Contact our office nearest you. Or you can even phone directly to Wallace R. Anker, Senior Vice President, in Beijing, 55-2231, Ext. 7022.



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## UK NEWS

## Wave of closures feared

BY MAURICE SAMUELSON

THE PRIME MINISTER yesterday received a new warning from manufacturing industry that unless the Government promptly tackled the liquidity crisis, it would "destroy the nation's industrial base in a tidal wave of closures."

It came in a letter to Mrs. Thatcher from Mr. Tommy Macpherson, chairman of the London Chamber of Commerce and Industry, representing 8,000 companies in London and the South-East.

In a separate memorandum to the Prime Minister, the Chamber called for "a real scheduled plan for action on curbing public revenue expenditure," and said that this would justify the reduction in interest rates.

To put it off, however, would suggest "a lack of resolve or of confidence by the Government in its ability to control its own pay settlements."

Mr. Macpherson told a Press conference that for a start the Government should seek to cut public expenditure by not less than £1bn.

Calling for a major shift in economic policy, he added "that it should place greater stress on spending cuts than on monetary control and that this would be in line with its programme during the last election campaign."

The Chamber was issuing its statements, he said, because civil servants were giving Ministers the impression that industry was feeling only "superficial pain," even though in many cases it was "of mortal depth."

Although industry had responded to the Government pressures by boosting exports and increasing efficiency, the Government did not appear to know how to face the challenge of cutting expenditure which it had set for itself.

In the south-east high local authority rates were the chief cause of failures among businesses, and increased UK industry's handicap in comparison with its competitors in the EEC.

The rates burden on London companies would be made even greater by plans, now before Parliament, to transfer rates collected in London to other parts of the country.

"If you have a capital city without prosperity you have trouble throughout the country," Mr. Macpherson said. The Chamber's last survey of its membership had shown that the number of companies reporting falling domestic orders had doubled between March and July.

In his letter to Mrs. Thatcher, Mr. Macpherson wrote that while the Chamber fully sup-

ported the Government's objectives, it was concerned about the Government's failure fully to implement its policy.

Complaining that the "negative features" of the Government's policy had lasted too long, it added: "This time factor can kill." The continuing high levels of public expenditure, high interest rates and high sterling exchange rates, all within Government control, were creating an "intolerable" situation.

While describing public spending cuts as the key, the Chamber said it opposed "indiscriminate slashing of public capital expenditure, which forms the infrastructure of the future."

It therefore wanted the Government "to come forward with a clear, rapid, and dated programme for cutting public revenue expenditure."

## Government 'has made UK more attractive to foreign companies'

BY DAVID MARSH

GOVERNMENT measures have made the UK a more attractive base for overseas businesses wanting to expand their operations abroad, according to Mr. John Biffen, Chief Secretary to the Treasury.

At an investment seminar in London yesterday, Mr. Biffen said foreign companies received a very generous fiscal welcome in the UK. He said this had been made even warmer by attractive features added by the Government.

Recounting the income tax cuts of the 1979 Budget, he said Britain was no longer a high-

tax nation for individuals. Additionally, this year's Budget had proposed the setting up of enterprise zones to "quicken the spirit of private business initiatives."

Mr. Biffen said Britain's Corporation Tax system, with its mixture of incentives and reliefs, favoured business as it meant many companies paid very little—or no—corporation tax in their early years.

He also said the recent U.S.-UK double tax treaty now made it more attractive for companies to remit profits home.

Mr. Biffen said Britain's sys-

tem of grants for regional development areas contributed to offsetting costs of new buildings for manufacturing purposes or capital spending on new machinery and plant.

On Corporation Tax, he said stock relief measures reduced taxable profits of companies to take account of the increasing cost of inventories. This could be of "enormous help" to expanding businesses.

He said Americans coming to live in the UK for a company resident elsewhere enjoyed special income tax attractions.

## Pupils need 'lessons in industry'

By Michael Dixon, Education Correspondent

A PLEA to employers to give more schoolteachers and pupils a taste of business life and its problems, was made by Mr. Mark Carlisle, Secretary for Education and Science, in Birmingham yesterday.

Those in education had important lessons to learn from industry, including the fact that designing and making things deserved the attention of the most academically able children, he said.

Mr. Carlisle was opening a conference on the work of schools, attended by employers and trade unionists as well as educationalists. Similar conferences are to be held in nine other regions up to June.

The Education Secretary said he was keen to hear employers' and unions' comments on how educational policies should be modified to meet industrial needs.

Miss Ann Gray, president of the 90,000-strong Assistant Masters and Mistresses Association, warned at her union's annual conference in Southport that "Published exam results did not show if a school was underfunded or served an area with a heavy concentration of social problems, or had a rapidly changing population."

## Energy disadvantage 'narrowing'

BY IVOR OWEN

THE competitive disadvantage being suffered by British companies in relation to their rivals in other EEC countries because of high fuel costs is "uneven and narrowing fast," according to the Government.

Earl Gowrie, Minister of State for Employment, expressed this view in the House of Lords yesterday when urged by Lord Bruce of Donington (Lab.) to secure a reduction in industrial electricity and gas tariffs to bring them in line with charges in France and Germany.

The Minister admitted that

the energy pricing disadvantage suffered by British companies compared to EEC competitors had been more pronounced at an earlier stage. But as the high energy prices worked through and contracts advanced, the disadvantage was rapidly narrowing.

At the same time, Earl Gowrie stressed that this Government view was subject to information being collated by the CBI on energy prices.

He also insisted that the Government had never sought

to conceal that British industry did operate at an energy price disadvantage in certain sections where competition was encountered from companies based in North America.

Lord Bruce maintained it was clear that some companies on the Continent were able to obtain their fuel far more cheaply than British concerns. He called on the Government to examine carefully the information to be provided by the CBI and to make it clear whether it agreed with the figures on energy costs provided by industry itself.



A McDONNELL Douglas DC10 aircraft flies over St. Louis, Missouri, headquarters of the McDonnell Douglas Corporation. It is named James S. McDonnell, the Scottish American Aviation Pioneer, in honour of the company's late founder (left).

## Fowler will 'prolong M1's life'

BY JAMES McDONALD

MR. NORMAN FOWLER, the Transport Minister, inaugurated a £27.2m project yesterday to widen one of the worst motorway bottlenecks on a six-mile stretch of the M1 in Hertfordshire.

It will increase the dual two-lane sections between Junction 5 at Berrygrove and Junction 7 at the M10 interchange to dual three-lane standard, and from there to Junction 8 at Hemel Hempstead there will be four lanes in each direction.

John Laing Construction is the contractor. It is expected to take about two years.

The M1, 21 years old on November 2, was designed to last 20 years based on traffic forecasts available in the 1950s, Mr. Fowler said yesterday.

In 1960 it averaged about 16,000 vehicles a day. Today it is 50,000, with peak flow at Junctions 9-10, where the daily average is 75,000.

He spoke of the widening at an exhibition at Watford showing how it was proposed to maintain traffic flows during construction.

There was also the problem of wear, said Mr. Fowler. The

M1 "has long been coping with heavier commercial vehicles than anticipated in the early 1950s. I am determined now to carry through a programme of strengthening to prolong its life."

"Repairs to be carried out during the next two years are designed to secure a fast, safe highway to meet the traffic needs of the 1990s."

While the widening is carried out, though five under-bridges are to be extended, it is claimed that present capacity of two lanes each way will be maintained throughout the day. At

night occasional "partial closures" may be necessary. Beneath the under-bridges traffic will be "shuffled" backwards and forwards across the carriageway to ensure that no traffic passes under a span being constructed in the daytime.

The Government gave the go-ahead yesterday for the £50m North Devon Link Road from the M5 near Sampford Peverell to Barnstaple, bypassing Tiverton and South Molton.

Work on the £12m Stage 1 from the M5 to Tiverton should start in the next two years.

## Laker seeks Hong Kong licence for air route

BY MICHAEL DONNE, AEROSPACE CORRESPONDENT

LAKER AIRWAYS, the UK independent airline, hopes to become the fourth airline on the London-Hong Kong air route as a result of public hearings into its application, which began in Hong Kong yesterday.

At present, three airlines fly the route—British Airways, British Caledonian and Cathay Pacific. Laker has been licensed by the UK Government, but

must win a reciprocal licence from the Hong Kong Government.

The public hearings are expected to last all week, with objections from the other airlines.

British Caledonian and Cathay Pacific are asking the Hong Kong Government to lift restrictions on flights—four and three respectively—they can make each week on the route.

## Remote-control helicopter competition launched

BY OUR AEROSPACE CORRESPONDENT

A COMPETITION to develop a small, pilotless helicopter is being sponsored by the Royal Aeronautical Society and companies in the UK helicopter operating and manufacturing industries.

Such a helicopter could be used to survey battlefields, but could also have civilian applications such as remote-controlled surveillance of traffic. The R.Ae.S. is offering a

£1,000 prize to the person or group building and flying a small, remotely-controlled rotorcraft which beats the continuous flight record of 3 hours 35 minutes 6 seconds.

A further prize of £500 will be awarded for ingenuity in meeting the object of the competition. A "fly-off" will be held on July 3 and 4, 1982, but no applications will be accepted after July 31, 1981.

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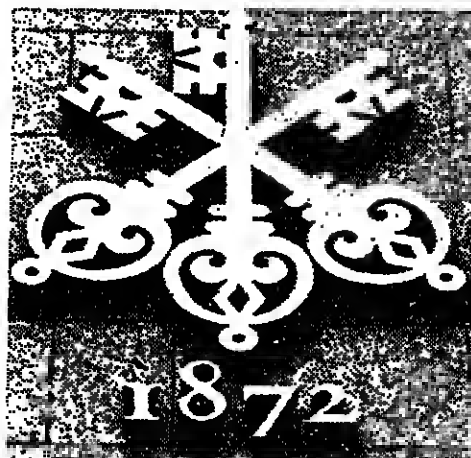
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## UK NEWS — LABOUR

## West Yorkshire drivers reject interim 5.2% pay offer

BY NICK GARNETT, LABOUR STAFF

LORRY DRIVERS in West Yorkshire have rejected an interim pay offer of 5.2 per cent on basic rates to cover a period of two months, after which it would be renegotiated.

It was made by the hauliers' federation for Leeds and Bradford, one of the areas first in the negotiating round for "hire and reward" drivers. It would have run from November 1—the drivers' settlement date—until January 5. Any further deal after January would run to the following November.

The employers said they had made an interim offer in order to be in a better position to assess both the rate of inflation next year and the size of settlements in other regions. Many are due to settle in January.

The offer, which did not include improvements in any of the drivers' allowances, had been recommended by negotiators for the Transport and General Workers Union. But the drivers voted at the week-end in favour of seeking an improved increase on the basic rate.

The National Road Haulage Association (RHA), which does not cover Leeds and Bradford, said yesterday that members throughout its regions had emphasised their reluctance to settle above low or middle single figures in a 12-month deal.

This would be in response to inflation-linked claims, although RHA says drivers are now aware of the industry's serious economic position.

The Leeds and Bradford vote, however, suggests that the hauliers might have some difficulty in containing settlements to these levels.

RHA, which has 15,000 members and up to 150,000 vehicles, said yesterday that the "hire and reward" industry was in a "desperate crisis."

A survey of 12 middle-sized operators in South Wales had shown that, in the past six months, 24 per cent of their 303 lorries had been idle through lack of work.

"You just can't describe it. Lay-offs, redundancies, short-time working everywhere," said RHA. "Some areas are a little better off than others. South Wales and the North are especially hit by the recession."

## Unions at Talbot see threat to 17,000 jobs

PEUGEOT SHOP stewards fear that Talbot Cars' UK operation, with 17,000 jobs, is going to be dismantled by the Peugeot management.

Their main counterparts at Talbot factories in France and Spain are also concerned about continuing labour reductions.

A tripartite committee of union officials is now co-ordinating a national and international campaign to fight any more job losses.

In Coventry, the UK headquarters of the engine building plant is on a one-day working week and the assembly plant on either two or three days. The Scottish works at Linwood are on three days.

The concern of the British stewards follows the loss of 5,000 jobs in the past nine months and now the redundancy of nearly 500 white collar staff. These form the central staff and design team in Coventry.

## Farm workers' claim 'could cost jobs'

By Pauline Clark, Labour Staff

BRITAIN'S 250,000 full-time farm workers were told yesterday that jobs might be lost if they succeeded in getting a wage settlement which farmers could not afford to pay.

The warning was given by Mr. Richard Butler, president of the National Farmers' Union—the farming employers' body—shortly after trade union leaders submitted a claim for a 100 per cent wage rise.

Negotiators in the National Union of Agriculture and Allied Workers were told by employers' representatives on the Agricultural Wages Board that their demands for an increase in basic pay of £58 to £110 a week could not be met. Also, there could be no reduction in the 40-hour week.

The union said yesterday that farmers had conceded that wages only represented one fifth of their outgoings and this was incompatible with their warnings on the effects of meeting the claim.

## Labour Party, TUC in manifesto talks

BY CHRISTIAN TYLER, LABOUR EDITOR

TUC AND Labour leaders yesterday mapped out a winter programme of policy talks that will have considerable influence on the party's manifesto for the next general election.

A statement on trade and industry, endorsing union demands for selective import controls and "managed trade," has been approved by the TUC congress and the Labour Party conference.

The TUC-Labour liaison committee will now turn to developing policies for manpower, economic planning and, possibly, industrial democracy.

But the sensitive issue of a future incomes policy, which both the TUC and Labour conferences have agreed should be tackled, may not reach the agenda until next year.

Leftwingers remain sceptical of the chances of devising even a "progressive" plan for incomes (including state benefits) that would not degenerate into old-fashioned wage restraints.

At its regular monthly meeting yesterday, the committee supported the emergency refa-

tionary package demanded by the TUC in its Downing Street talks with Mrs. Thatcher and her economics ministers a week ago.

It also approved a separate TUC programme, published in August, for emergency help to the 3m unemployed.

Union leaders say that for a net outlay of £343m, nearly 1m unemployed workers could be helped through further subsidies for training and retraining, short-time working instead of redundancy, temporary employment and earlier retirement.

They argue that the total cost of the present unemployment far outweighs the cost of such subsidies. Losses suffered by the Exchequer in terms of tax, national insurance, and expenditure on social security payments was some £6bn a year.

The Government is expected shortly to announce its own measures, he probably aimed primarily at the young unemployed. They are designed to increase training given in state-subsidised work-experience schemes.

## Seamen seek U.S. backing in Cunard campaign

BY PAULINE CLARK, LABOUR STAFF

THE National Union of Seamen yesterday instructed its officers to stop supplying crewmen to ships owned by Cunard as part of a plan to step up their campaign against the company's move to transfer two of its passenger liners to flags of convenience.

At the same time it instructed all members in regular employment with Cunard to stay at home.

The union is seeking support from the U.S. Maritime Union and American dockers' trade union leaders to spread industrial action to the Cunard Princess, at present in dry dock in Puerto Rico and due to sail to the U.S. shortly.

The dispute has already led to industrial action by NUS members, which has left the other Cunard liner affected by the company's plan—the Cunard Countess—stranded in Barbados since Thursday. The union executive will consider later this week how to put further pressure on the company.

Cunard's 67,000 ton liner, the QE 2 has been hit by the crew's sympathy action. It sailed out of Southampton yesterday, 24 hours late. The crew refused to sail on Sunday even though 1,500 passengers were already on board.

The union says it has begun talks with the International Transport Federation to ensure maximum international support by unionised seamen for further action taken against Cunard.

The company wants to cut its operating costs by employing foreign crew on lower wages, but has given the union an assurance that there will be no redundancies among its British ratings.

It said yesterday that talks had not yet been concluded with the NUS on new arrangements. Industrial action was unwarranted, the company argued, because all 370 British ratings on the Countess and the Princess would continue to be employed on full pay until they were found jobs on the QE 2.

## Ayrshire Marine strike may end

BY RAY PERMAN, SCOTTISH CORRESPONDENT

THE WAY appeared clear last night for reopening of the Ayrshire Marine oil platform yard at Hunterston on the Clyde coast, and resumption of work on the Maureen Field steel jacket.

Members of the Boilermakers' Society, who previously rejected conditions for a return to work, voted 144-105 to go back.

The dispute was about work safety in the yard. Shop stewards who led the strike argued against a return, but the meeting backed Mr. James Murray, general secretary-designate of the union, who told the men that as they had defied the union executive they

would not get dispute benefit.

There was no alternative to accepting the company's condition, already agreed by the other union involved, the General and Municipal Workers' Union, he said.

Union officials said after the meeting that Chicago Bridge International, the U.S. company which is the leading partner in managing the yard, had agreed to stop preparations to tow away parts of the structure for completion elsewhere.

The company applied to the Scottish Office, which owns the Hunterston site, for permission to breach the sea wall to tow out partially-completed parts of the structure, but consent had

not yet been granted.

The yard was closed last month after a long strike seriously delayed work on the Maureen jacket, and the 900 workers were sacked. Chicago Bridge will advertise jobs in the yard, but is expected to re-employ only about 600 men.

One condition made by the company is that the new workforce must accept sub-contractors being brought into the yard to speed the job, and some work only partially complete being sent outside to finish.

Shop stewards fear that the company will not re-employ and will blacklist those men it believes are "troublemakers."

## Prior opposes picket code compulsion

BY PHILIP BASSETT, LABOUR STAFF

THE GOVERNMENT'S codes of practice on picketing and the closed shop would be "far too inflexible" if they were given full legal force, Mr. James Prior, the Employment Secretary, said yesterday.

Speaking at an industrial relations conference in London, Mr. Prior said that even if it were possible to draft legislation to make the codes legally enforceable, they would be too rigid.

"In some cases I believe it would be a positive hindrance to getting the changes in attitudes we want to see."

He rejected the view of Right-wing critics who have called for the main body of the Employment Act to be strengthened by the codes being given full legal force, stressing that there was a limit to the extent to which the law could be used to regulate individual attitudes.

Mr. Prior also criticised those on the Left who attacked the codes for extending the law.

Where there was no respect for the law, there was usually no respect for democracy.

Aside from the picketing code's provision recommending that picket line numbers normally be limited to six, it had been "established beyond doubt 20 years ago" that the police had power to limit the number of pickets where they feared disorder.

He thought the codes would be in operation by the new year.

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## THE MANAGEMENT PAGE

EDITED BY CHRISTOPHER LORENZ

Continuing our series of articles on helping redundant executives,  
Nicholas Leslie examines a 'do-it-yourself' handbook

## A look on the bright side

THE SPECTRE of redundancy is casting a depression over much of industry. The actuality of it instils in its victims a mixture of disbelief, shock, depression and other emotions. Because of the extent of the current shake-out, British managers have been far from immune to it, and the number of out of work executives is steadily rising.

Instead of being overwhelmed by the negative aspects of redundancy, managers should recognise its positive aspects, says a new publication from the British Institute of Management. For it can offer "an excellent opportunity for personal appraisal and career review."

Lump sum repayments provide some necessary capital to realise yearnings to work freelance "or cherished dreams of starting your own business." Or there may be opportunities to take a refresher course or even retrain completely. The decisions to be taken "are critical, and require careful planning and professional advice."

The publication—Guidelines for the Redundant Manager—is effectively in two parts, the first dealing with the entitlements of redundant people and how to get them, and the second with the opportunities available for securing re-employment and the agencies that exist to help in this task.

One of the points stressed has become familiar in this series of articles on help for redundant executives: that the average executive "can expect to be out of work for four or five months even when very strenuous efforts are being made to find fresh employment."

It is therefore essential to recognise that looking for a new job is a full-time occupation,

says the guide, and it is as well for executives to be organised so that they are well-placed to seek out opportunities and to react positively to them as they arise.

The BIM recommends that an executive facing redundancy should ask two sets of questions — one of which may in fact avert his losing his employment completely, the other which brings him face to face with his own strengths and weaknesses and thus the prospect of averting any future redundancy.

The first series of questions revolves around the possibility of an existing employer finding a suitable alternative job, providing training facilities, helping with contacts, or offering consultancy work.

The second questions the executive's own competence. Has he kept up with new management skills and techniques? Is he aware of what original research is being done in his field? Is he aware of technological development? Does he know what training and development might be helpful?

At the outset, the guide provides a lot of practical information on action to be taken as soon as unemployment begins, and on the financial entitlements that are available. A "ready-reckoner" of redundancy entitlement is published together with information on unemployment pay, and earnings-related supplement.

There is also a useful section on pensions, outlining the statutory provisions of contracted-in and contracted-out schemes; of refunds of contributions; of preserved, frozen or deferred pensions; and of the transfer values of pensions. Recent legislation that improves the position of redundant employees in relation to pensions is referred to, but it is stressed that "pensions are a

complex subject and no simple answers to the problems of redundancy exist."

In seeking new employment, redundant managers have a host of organisations, both government and private, to which they can turn. Not only will such firms try and find new jobs, but some of them go further, offering "grooming" services, so managers can present themselves in a better light at interviews, as well as helping them completely change career. Many of them are listed in the guide, together with the services they offer.

In applying for jobs, managers are urged to put together a job file containing all relevant information about themselves: "A record of your past achievements can be a pointer to future action," says the BIM.

The redundant manager is reminded that an interview should be "a two-way negotiating situation, where both parties are given the opportunity to request and impart information. If you have done your homework thoroughly then you will already know quite a bit about the company, its products or services and their share of the market."

There is also a word of caution: "Never run down a previous employer, however tempting this may be... Far better to stress the positive aspects. Where you have been hindered, just explain the circumstances which resulted in the redundancy."

\*Guidelines for the Redundant Manager, BIM's Manager's Guide No. 2, available from BIM, Management House, Park Street, London WC2E 8PT, price £2.50 to individual members and collective subscribers, £4.80 to others, plus 10 p.p. cent postage.  
Previous articles in this series were published on August 13, October 7 and 20, 1980.

## Women win a surprise victory in Operation Executive

Elgin Schroeder on the contrasting ways in which German women have made their mark in business



business risk has allowed the company pretty clear sailing, even during the sector's downturn during the 1974 energy crisis and—so far at least—in the current recession.

In their very different ways both women are representatives of a surprisingly large group of female entrepreneurs in German business. Both are members of an association which groups 1,400 such women in Germany, and Dr. Iher-Schade has recently been elected to its chair.

Founded in 1954 to provide a forum for largely untrained women who had taken over a family business after their husbands died in the war, it is now orientated to training the businesswoman, and furthering her image as a fully-fledged member of the executive world. Despite the long existence of the Asso-

ciation of Women Entrepreneurs, it came as a startling revelation to most Germans when the organisation announced that there are at least 23,000 female company bosses in the Federal Republic, most of them at the head of medium-sized companies.

Whenever the pollsters quizz the German public as to which woman has made the greatest public impact, the names are always from the same circles—they are either in political life, or they are artists and athletes, or possibly wives of politicians. Far behind, in last place, if at all, follow businesswomen.

The best-known are Grete Schickedanz, who together with her son-in-law runs Quelle, Europe's largest mail order concern, and Liselott Linsenhoff-Schindling, owner and supervisory board chairwoman of Adolf Schindling, the world's biggest measuring instrument company, which has an annual turnover of DM 1.14bnn (£265m).

A third name, Beate Ulse, is probably the most talked about. Crowned Germany's sex queen by the popular Press, she started her sex shop and sex films business after the war without a penny. Today she employs roughly 400 people and her company has an annual turnover of well over DM 50m (£11.5m).

The image of the female businessperson was given a considerable boost by a recent competition to choose the "Female Entrepreneur of the Year," staged by Capital, one of Germany's leading business magazines (and with a predominantly male readership).

Among the candidates was a string of women whose success has been in small and medium-sized companies. They included Maria Steinmann, who has trebled the turnover of Fridhald, her Baden-Baden based cosmetic firm, over the last eight years. Rosemarie Veltns has turned the small

Veltns brewery, which she took over in 1964, into one of the biggest privately-owned breweries in West Germany. But it was Viola Hallmann who won.

The choice of Dr. Hallmann—whose masculine attire and tough attitude made her a solitary exception among the candidates—is a telling indication of just how far women still have to go before they are fully accepted as equals of the men who rule industrial life. This is all the more striking in view of the fact that there are certainly more female achievers in industry than, say, in politics, where women are far better established.

## Prejudice

"It is no longer extraordinary for a woman to manage a company," says Dr. Iher-Schade. "But, in the continuing absence of equal opportunities for women, it is not yet seen by society as a matter of course." To make it so is the professed aim of her work for the association.

"Women executives in West Germany, as in most other Western countries, still have to fight against lingering misconceptions and prejudices," she complains. "As a rule they have not made their careers thanks only to a prudent marriage or an inheritance," she stresses. "Nor do they head only small businesses. Nor have they made their way solely in such typically female sectors as cosmetics and fashion."

To back up these claims, Dr. Iher-Schade ticks off the following statistics: of the Federation's members as many as 31 per cent founded their own firms, as against 64 per cent who inherited them. (The rest bought their companies.) And the majority of them are active in such classical "male domains" as manufacturing and construction. A total of 44 per cent

own and manage companies which produce electrical and chemical goods, steel, cars or spare parts, building materials and machinery. Only a third are engaged in commerce and a mere fifth are in the service sector.

Dr. Iher-Schade encourages her members to come forward and serve on Government bodies, on committees of Chambers of Commerce, on the boards of industrial federations or in employers' organisations—on all of which they are so far sorely underrepresented.

She is setting a good example herself. Not only is she a member of the board of the economic council of the Christian Democratic Party, and an honorary judge at the Federal social court which rules on social security disputes, but she was also recently appointed to the monopolies commission.

This exposure, she argues, is the best way of demonstrating that the rule of the female businesswoman in West Germany has changed since the war. At that time she saw herself as a sort of caretaker who ran the business—rather reluctantly—until her husband returned from the front, or from prison camp, until her sons grew up and relieved her.

Now she makes her job her life's work permanently. She knows that to compete with her male rivals she needs qualifications, the willingness to work hard and continuously to improve her entrepreneurial know-how, as well as the courage to take risks. This, together with her natural female ability to deal with people, is a woman's formula for success.

"The executive woman of today does not need to simulate man or be militant," says Christiana Ament-Rambow, the Association's young manager, hinting at bar displeasure with the outcome of the Capital contest. "All she needs to make it are leadership qualities and staying power."

In order to "help the female entrepreneur approach her tasks professionally, find her own leadership style and form her own opinions on economic and social principles," according to one of its brochures, the association lays on regular weekend seminars, lectures and training programmes—often in collaboration with the working group of independent entrepreneurs. Its counterpart on the masculine side, with which it has very friendly relations.

But Viola Hallmann, the competition-winner, has doubts about the success of these emancipation activities. Although herself a member, she calls the federation "a coffee morning circle which does not contribute to the further enhancement of the fundamentally positive reputation of woman in professional life and in top industrial positions."

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The Banker—June 1980

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## Management abstracts

These summaries are condensed from the journals of abstracts published by Anbor Management Publications. Readers wishing to consult original texts should write to: P.O. Box 23, Wembley, HA9 8DJ.

An Alternative to De-Skilling. A Rels in hit. (Fed Rep. of Germany), April, 1980: p. 186 (24 pages, in German, English version available).

Discusses the limits to Taylorite re-organisation of secretarial work, and shows how the decision in favour of or against pooling should depend on the nature of the work; suggests that word processing equipment is in many situations worthwhile even where de-skilling is rejected.

Small Business Growth. J. F. McKenna and P. L. Orlitt in SAM. Advanced Management Journal (USA), Spring 80: p. 45 (9 pages). Examines the growth/no-

growth dilemma facing small business owners, discusses the benefits and drawbacks of both strategies, and suggests factors to be considered when selecting one, stressing that a decision for growth must be supported by objective planning.

Investment Hurdle Rates and the Cost of Capital. R. Pike and E. Roberts in Management Accounting (UK), May 80: p. 28; and Jun 80: p. 38 (84 pages, charts).

Explains why the BBA Group (conglomerate) decided to reconsider the basis of the cost-of-capital measure used in investment decisions; explores the issues considered when re-appraising the meaning of cost

of capital and its use in providing an investment "hurdle", reports on why the group adopted portfolio theory principles and how risk premiums for various categories of projects were arrived at.

Introducing Funds Flow Analysis into Management Accounting. D. Allen in Management Accounting (UK), Jun 80: p. 26 (14 pages, diag.).

Contents that management accountants have been deterred from establishing product group cash flows by the prospect of having to analyse the entire balance sheet; suggests viewing a company on an "entity" basis and relating each activity's trading account (irrespective of how it might have been distributed) to its operating assets (irrespective of how these may have been financed).

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BY DAVID TONGE IN NEW YORK

### ENERGY

## Fuel from garbage

BY DEBORAH PICKERING

A THAMES-SIDE eyesore on the south bank of the river at the old Wandsworth gas works site is just one of the pains contributing to the Greater London Council's discomfort—its massive headache is a £33m annual bill for disposal of the capital's garbage.

Earlier this month I reported how the Dutch have found where there's muck there's money, in the start of Europe's first major recycling plant in Holland.

Since the GLC men, and I returned to the UK from investigating the Netherlands installation, a City consortium has come up with proposals to cope with the metropolis's effluence, and also offers a valuable end product, suggesting the Wangas site as the pioneer venue for the exercise.

The end-result of London's muck could look like a heap of London soil—a dry, grey-black powder called Eco-Fuel, a ton of which is said to provide as much energy as two-thirds of a ton of coal, or a barrel and a quarter of oil—yet costs far less than either.

It is the charred powder end-product of a process involving the sorting, grading, size-reduction, metal separation and embrittling of ordinary domestic refuse.

The process was developed in the U.S. by Combustion Equipment Association Inc., as a way of reducing the cost of domestic refuse disposal by extracting and marketing the valuable fuel content rather than simply burning it to waste.

Consistent in composition (and low in ash) the product can be burned as Eco-Fuel or Eco-Fuel oil mixture, and is said to be a viable source of energy for many boiler installations with appropriate modifications.

Its thermal value averages 8,000 BTU/lb—hotter coal averages 12,000 BTU/lb and fuel oil 18,000 BTU/lb.

The thermal value of other refuse derived fuels (RDF), unprocessed or partly processed and pelletised, may well be as low as from 4,500 to 5,000 BTU/lb—they are also harder to handle, and their moisture, usually around 25 per cent and likely to increase with storing, makes for storage problems.

Generally, they can only be

burned in specific types of boiler installations and produce around 25 per cent ash, says Eco-Power Consortium, 76 Cannon Street, London, EC4 (01-236 0824).

"The advantages of cutting coal or oil bills by mixing with the far cheaper Eco-Fuel can hardly be ignored," says Lord Morris for the company. "We are thinking especially of medium sized electricity generators, industrial users such as foundries, the cement and brick industries, hospitals and other institutions."

He added that there is an obvious value for the use of the fuel in the Eco-Fuel plants themselves.

As the supply is constant, the most likely customers will be regular rather than seasonal users, and would need to make Eco-Fuel a significant part of their overall fuel consumption if it is to have a marked impact on their total fuel bill.

Most efficient method of collecting and disposal of refuse is one which combines lowest cost with least hazard to the environment. In practical terms this means minimising road journeys (in Holland there is now a bill being passed which will prohibit the transportation of refuse from one province to another), noise, dust, odour nuisances—and the avoidance of pollution of the ground, rivers and atmosphere.

### MATERIALS

## New metal treatments

NEW metallurgical chemicals for the treatment of aluminium, zinc and copper-based alloys have been announced by Morganite Crucible.

There are 14 new cover fluxes for aluminium alloys to be marketed under the brand names Morelens Cover and Morelens Magcover together with six metal refiners and grain refiners.

For copper alloy casting, the range includes a variety of fluxes under the names Coral Cover and Cufine. Morganite Crucible is on 0905 355631.

A NEW generation of typewriter, which conjures up the image of bats swooping at the keyboard, was announced last week by the Smith Corona group in the U.S.

The major innovation in the new machine is a typing element driven by ultrasonic waves. This advance eliminates between one-third and one-half of the mechanical parts found in conventional typewriters and results in a machine which will sell in the U.S., according to Smith Corona, for \$900, about one-half the price of comparable electronic typewriters offered

by IBM, Xerox or the QYX unit of Exxon.

It also opens the possibility of a major design change for teleprinting equipment. The new machine is expected to be available in the U.S. later in the year.

For the Smith Corona Corporation, which this autumn has been locked in a fresh and bitter management battle, the ultrasonic typewriter is an important boost after a long period of trouble in the field of office equipment.

It is still the leading U.S. manufacturer of portable type-

writers, but it dropped out of office copiers earlier this year.

The key new element in the typewriter is an ultrasonic rod located beneath the keyboard. This is a thin steel bar with teeth corresponding to positions on the keyboard. When a key is touched, the appropriate tooth is struck, generating ultrasonic waves which move towards each end of the rod where electronic sensors are located.

Because of the differing distance the waves have to travel, different waves reach the sensors at different times. The characteristics of the waves also

depend on the shape of the tooth which has been struck.

The typing head contains a microelectronic chip which identifies the time differences and the characteristics of the signals from each end of the rod.

The new machine has a number of other features.

● A memory correction system which can erase any part of the last 10 characters which have been typed.

● A memory system which can compensate for bursts of typing speed of up to 800 words a minute.

Other features of the machine are a cassette ribbon that can be easily fed into the machine, and easily changed printwheel system, electronic tabulation and a storable page format which automatically sets margins and tabs at their most used positions.

Called the "Typetronic," the machine has been developed over the past four years at the Smith Corona laboratory at Danbury, Connecticut, and Cortland, New York. It is relatively small and light, measuring 6.6 in high by 16.6 in deep and 17 in long. It weighs 22.7 lbs.

### HANDLING

## Truck has built-in forklift

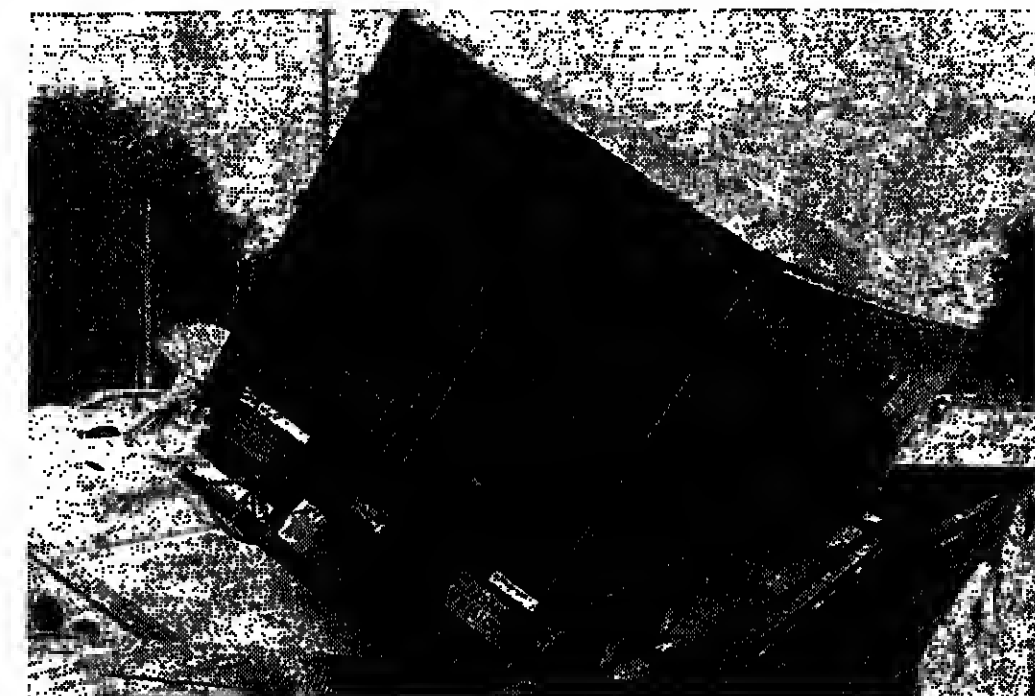
DEvised by a company in Guernsey in the Channel Islands a fork lift system which can be built-in on any front wheel drive road vehicle seems to offer many advantages to those who lift, shift and deliver goods. The forks operate within the body of the vehicle and are controlled from the driver's seat.

Vehicles fitted with the system can be used for handling and transporting pallet loads, handling skips or reels of cable and many tasks that might otherwise call for the use of a separate conventional fork lift truck.

Loading of palletised goods is achieved by backing the vehicle up to the load, adjusting the forks to engage in the pallet and continuing to back until the load is just forward of the vehicle's rear wheels.

A detachable "deck" can be placed over the forks to enable unpalletised goods to be rolled on. There is also a detachable tailgate which completely encloses the vehicle's body and the goods it is carrying. Lockers running on either side of the body can be used for carrying tools, ropes and other gear.

The company says it has tested eight units under working conditions and covering 90,000 miles without making any adjustments to the lifting gear. Full details can be obtained from Engineers (Guernsey), Les Rondaux, St. Peter's, Guernsey, Channel Islands.



Lawrence David of Peterborough claims to have developed a polyester-weave curtain for opened truck bodies that is so strong that it could hold the whole weight of the load being carried. Here, a trailer carrying a 20-ton load is seen tilted at an angle of 35 degrees. The curtain is called Armoursheet

and will be offered as an option on the Trac-Cess curtain-sider bodies made by Lawrence David. Additionally, an Armoursheet service is being started so that existing curtain-siders of any make, can be brought up to full load-bearing capability and also meet the British Standard for load restraint webbing.

### CATERING

## Curl on sides gives strength

ALTHOUGH LARGE, deep aluminium foil trays seemed an excellent idea for cook-freeze applications, some of us have been on the sticky end of food seepage—especially when the containers have made a second trip from kitchen to deep-freeze.

Defect is in the outer rim which has to close over the "lid"—and the containers' bases have not always been as robust as they should be.

Bowater has tackled the prob-

lem with an interrupted vertical curl (IVC) rim which eases lidding and opening of its 9 1/2 inch square container. This style has a vertical flange at the corners with a rolled edge on the straight side and closure is effected by bending the lid flanges over a board lid.

Complete revamping of its existing bulk catering tray also includes extra embossing to the base to frustrate flexing prior to lidding or after removal of the cover.

Drop-in lid has also been redesigned to give a tighter fit to reduce risk of seepage.

Partnering the new bulk tray is a new 9 inch foil plate which is suggested for desserts.

Both containers will be on show on the company's stand at the Fast Food Fair in Brighton next month.

More from Bowater Foil and Paper Products, French Street, Sunbury-on-Thames, Middx (061 432 0631).

### PROCESSING

## Cuts strip to required lengths

MATERIALS up to 6 cm can be cut automatically into lengths ranging from 1 to 999mm by an electronic guillotine now being marketed.

It is suitable for cutting webbing, tapes, cable and wire, and many kinds of strip material as is used in sports equipment, footwear and travel goods industries.

The machine is programmed by means of push buttons and a visual display and the material feeds in from reels. It is quite small, weighs 19 kg and needs only a standard 240 volt power supply.

The company marketing the machine, Scan Relations (UK), 75 Trafalgar Road, Southport, Merseyside PR8 2N1, says that because of its small size the machine could be readily used by outworkers.

### HAND TOOLS

## Makes wire stripping easy

LIGHTWEIGHT WIRE stripping pliers needing minimum hand pressure and said to be ideal for use in production line assembly, manufacturing and for site work, are introduced by Eric H. Bernfeld, PO Box 111, 17a, The Broadway, Potters Bar, Herts. (0707 43619).

Operation simply involves placing the wire or cord in the cutter hole of matching cross section, then squeezing the plier handles so that in just one movement the insulation is cut cleanly.

### COMPUTING

## No problem finding the right key

VIEW TAKEN by Computer Accessories of Egham (Egham 36455) is that input speed is the "real governing factor" behind high output in word processing.

So it has introduced to the market the Bellcom 80 machine at £5,900 on which the keyboard is nearly identical to the IBM Selectric which is familiar to typists all over the world. The print quality is said to be of the same standard. In addition, the function keys are grouped logically for the touch typist and there are no complicated codes to remember.

A large display size has been used and while the screen is being used for input or correction the printer can simultaneously print an entirely different text.

No end-of-line hyphenation is required and margins, indentation, spacing underlining, bold type, centring and pagination are automatic through simple commands.

This machine will find any word or phrase and replace it with something else, hundreds of times in a few seconds, and its own memory can hold up to 25 pages, with a further 200 on disc.

## Honeywell sets rules

HONEYWELL, the U.S.-based computer manufacturer, has finally announced the rules it intends to adopt to connect computer systems together — its "networking architecture."

The array of rules and protocols is called Distributed System Architecture. It compares with IBM's Systems Network Architecture. Burroughs Network Architecture, ICL's Interacting Processor Architecture (IPA) the Xerox Ethernet and the Datapoint Attached Resource Computer (ARC).



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If you are considering alternatives to your existing drying and curing plant, get the facts on electric convection drying.

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# A game, yes—but not for careless players

BY MICHAEL DIXON

BE STRAIGHTFORWARD! I wish I had a flyer for every professional recruiter who has replied with that advice when asked for tips on being a successful job-candidate. And in exemplifying the importance of straightforwardness, all of them have emphasised a particular point.

It is that, when applying for a job by letter or on an application form, candidates should never avoid telling the truth if the recruiter has a chance of checking on the answer later.

This is not a warning merely against positively lying, such as claiming paper qualifications which are not in fact held. Incidentally, while that may seem too obviously stupid a mistake to be made by any sensible human being, recruitment consultants which check on qualifications (and most do sooner or later) evidently find that about one in every eight such claims is false.

The warning applies also to any temptation to hedge about your age, or to leave out of account any experience of failure and so risk having discrepancies in your career record which carry questioning will expose. While acknowledging age and/or failure may reduce your chances of being appointed, it still leaves you with a chance. Whereas if you are detected in a falsehood during the subsequent stages of

selection, you will have no chance at all.

But the near certainty that the foregoing little homily has been endorsed by the recruiting fraternity with solemn bearing, chimes oddly with something I have just heard from Jim Kennedy, who runs *Consultants News* in the United States.

He has lately been examining the career outlines supplied by numerous professional recruiters for publication in a U.S. directory of headhunting consultants. And by supplying such outlines to a directory which circulates among prospective clients, of course, the consultants were to all intents and purposes applying for a job. Well then?

Of the 558 people who provided self-descriptions, Jim Kennedy reports, rather more than one in five declined to give their date of birth. Moreover, 43 per cent of them left noticeable gaps in their career record!

Whether this means that some professional recruiters are at heart just normally human like the rest of us, I would not like to speculate. But I suspect it does mean that many of them recognise that, when it comes to trying to get a job, straightforwardness is not always the best policy on the candidate's part, no matter how convenient it might be for the recruiter.

That would definitely be the judgment of one Tom Carew who when he is not cycling recklessly around London, spends his days running a company called Percy Courtis. It is a company which might best be described as a redundancy-counselling concern, were not the word "redundancy" worse than blasphemy to its somewhat idiosyncratic chairman. "Remember," he tells each and every student at his job-finding academy, "you are not redundant until you are in your coffin."

## Flattery

Another thing he supplies to his students is a set of booklets, one of which is entitled *Interviews and how to win them*. And I fear that if it were read by job-applicants committed to the principle of straightforwardness, they would experience a severe culture shock. For the approach it recommends to interviewees is patently a mixture of flattery and well rehearsed deviousness.

"What appeals to you about this job?" goes one of the 150 commonly asked questions which Mr. Carew puts in the mouth of the booklet's interviewer. The response recommended to the candidate is: "The company, its management style, its reputation etc. Flattery pays."

"What is your strongest

attribute in management terms," the recruiter demands. "The skills he appears to be looking for," Courtis's chairman suggests.

"... and your weakest?" the interviewer goes on. "Anything which has no relationship to the present vacancy," advises Tom Carew.

He also acknowledges, of course, that candidates over 50 or even approaching it are especially likely to find that the recruiter stops asking questions and starts raising objections, perhaps saying: "To be frank, you are too old for this position."

As a general strategy here, the booklet recommends the sales specialist's dictum that what the prospective customer raises as an obstacle is more than often an opportunity for shrewdly closing the sale. In the particular case of the objection to age, the recommended response is a counter-challenge. Perhaps "On what count do you say that?" or "Are you equating age with enthusiasm?"

Some of the benefits I will bring to this job will consist of experience gained since I was X years old."

But once a candidate has been placed in this make-or-break position, Mr. Carew thinks, the outcome will not depend on words alone. "This is where you need real perseverance."

To applicants who are out of work, and find the interviewer harping on it, the booklet's prime advice is evidently: do not be trapped into volunteering unnecessary information liable to reinforce the recruiter's prejudice. For instance, the fact that someone asks "To what do you attribute your present job-hunting problems?" does not mean that he or she has any real evidence for believing that you have such problems.

If it is obvious you have them, however, the recommendation is to say, quite honestly: "It is a difficult market and I am being choosy," and follow this up with a touch of the prescribed flattery about how well the job in question has been presented.

But before any readers decide to follow Tom Carew's advice and treat interviews not as an occasion for straightforward self-revelation, but as a game requiring intricate cunning, they should heed two warnings.

The first is never to play the game carelessly, as witness the booklet's salesman who replied to the question: "Do you mind a lot of travel?" with "No, I enjoy it." Closing the candidate's file, the interviewer answered: "Why, then, do you not become a bus conductor?" Had the applicant put in the

necessary advance thought and other preparation, he would have said something like: "It is a part of the job and I am used to it," and perhaps gone on to say that time spent driving allowed him to think about the best way of handling the next call.

The second warning is against responding to interviewers' questions with model answers such as might be learned from booklets like the one from the Courtis consultancy. If the interviewer also knows the model, you will be confirming that you are being unstraightforward—and to do that is the reverse of being cunning. And even if the interviewer doesn't know the model, it is likely to sound suspiciously out of character. Your own words, however relatively inartistic, will usually be more productive.

Take for example the question once asked by a personnel manager, which is cited by Tom Carew: "My weakness is pinching pencils, what is yours?" The Jobs Column has decided that it would try to deflect the query by replying: "Well I suppose someone in your job must always be able to draw the line."

That is not, of course, in the same league as Mr. Carew's solution, which is: "Leaving 'em around to be pinched." But at least it's my very own, and it is hereby patented.

## ACA International Finance

London to £15,000 + car

A private international investment and finance organisation is seeking to recruit a Chartered Accountant to be based at its small but prestigious London offices.

The initial responsibilities will involve the financial control and monitoring of the group's affairs and the development of management information systems. There will be a limited amount of overseas travel.

This is an unusual but outstanding opportunity for a Chartered Accountant aged 26-32 who has had some exposure to world-wide financial transactions either in the profession or ideally within a commercial environment. Confidence, flexibility and a strong personality are essential qualities for the candidate who will move in the short-term to higher levels within the world of international finance.

Please reply in confidence, quoting Ref. U889, giving concise personal and career details to D. E. Shellard - Executive Recruitment

**AMS**

Arthur Young Management Services  
Rolle House, 7 Rolle Buildings  
Fetter Lane, London EC4A 1NL

## Director - Industrial Development

THE YORKSHIRE AND HUMBERSIDE DEVELOPMENT ASSOCIATION, financed and supported by local and central government, industry and commerce, seeks a Director to spearhead the promotion and development of a region rich in resources and on the doorstep of Europe.

Based in Leeds, the Director heads an experienced team and controls a budget of over £200,000.

Candidates, age from the middle 30s, must have reached the upper levels in industry, commerce or public administration. Their achievements will be in the aggressive marketing of products, services or a location and in the management of people and resources. Industrial development background valued but not essential.

Salary in the region of £18,000; car, relocation help.

Please send career details - in confidence - to D. A. Ravenscroft ref. B.25524.

This appointment is open to men and women.

**MSL**

United Kingdom Australia Benelux  
Canada France Germany Ireland  
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Management Selection Limited  
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474 Royal Exchange Manchester M2 7EJ

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If you are finding your talents wasted - we can help.

In the serious business of marketing yourself MINSTER EXECUTIVE provides the professional, individual and comprehensive career counselling service that has achieved outstanding results.

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As professionals we have an acknowledged standing in the employment market. We invite you to a preliminary discussion to discover why our clients have been so successful.

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26 Bolton Street, London W1T 4EB. Tel: 01-488 1309/1095

## Deloitte Haskins & Sells UK Practice

### Personnel Director

c.£17,000+car

### National Recruitment Manager

c.£12,000+car

A professional environment demands professional personnel management. Our London-based Executive Office, which co-ordinates the 26 offices of the UK practice, has recently reviewed

its approach to the personnel function. Two key posts have been identified, each of which will play a major part in the firm's future development.

Reporting to the National Personnel Partner, the Personnel Director will co-ordinate manpower planning carried out by practice offices, set remuneration policy and co-ordinate implementation and will initiate programmes for recruitment and transfers. Beyond this, the task includes formulation and review of personnel procedures and co-ordination of their implementation to ensure national consistency.

Candidates, aged around 40, should have a degree and IPM membership. Their career must have included significant personnel management responsibility gained in a large decentralised organisation, ideally employing a high proportion of graduates. Working experience must have included manpower planning, career development and benefits administration.

The National Recruitment manager has the major challenge of planning and co-ordinating the selection of up to 400 graduates each year for our accountancy training programme. This will include organising interview campaigns, liaison with university careers services and brochure production. The firm also needs to attract young qualified accountants and occasionally other senior specialists.

Candidates must be graduates, possibly with IPM membership. Aged 30-35, they must have experience of graduate and junior managerial recruitment gained in a large decentralised organisation, a university or a recruitment consultancy. Developed presentation skills are essential, with a readiness to spend some time away from home.

Applications, which will be treated in strict confidence, should contain relevant details of career and salary progression, age, education and qualifications.

Please write to P.J. Williamson, quoting reference 930/FT for the position of Personnel Director or 931/FT for that of National Recruitment Manager, on both envelope and letter.

**Deloitte Haskins & Sells**

128 Queen Victoria Street, London EC4P 4JX

## INSTITUTIONAL EQUITY SALES

We have assignments for three important broking clients to find top Institutional Salesmen with records of established success. We are interested also in combination teams of sales and research.

Rewards are in the range £20,000 - £40,000 and would include a partnership where appropriate. These positions are open to both men and women.

Write or telephone in confidence to Somerset Gibbs or Michael Jenkins.

Directorship Appointments Limited

66 Great Cumberland Place, London W1H 8BP. 01-402 3233.

## RECENTLY QUALIFIED ACCOUNTANT

Required by a major firm of City Stockbrokers with a large proportion of international business. This is a new appointment involving working within the firm's accounting department, internal audit responsibilities and assisting the firm's financial director. Remuneration will be a basic salary, bonus depending on the firm's profits and a non-contributory pension and life assurance scheme.

Applications to Box A7317, Financial Times, 10 Cannon Street, London, EC4

### Experienced

Book-keeper/Accountant required by young but rapidly expanding company in Asia. Good London. Duties will be varied and would suit applicant with initiative and drive. Salary approx. £2,000 to £2,500 but negotiable. Write with details (Ref: EGBM) to: IAN H. ROSS & CO.

### ALANGATE BANK APPOINTMENTS

FOREX DEALER for No. 2 position. Euro, U.S. currencies and deposits. To £15,000 + benefits.

DELA FRANKLIN ALANGATE STAFF CONSULTANTS 70 Queen Victoria St., London EC4 Tel: 01-248 5071

209 Crescent Rd., New Barnet, Herts

## Underwriter Manager

### Saskatchewan

### Canada

A Canadian insurance company is seeking a manager, to be resident in Canada, for its growing book of assumed treaty business. The present portfolio consists primarily of property and casualty (non-marine) business with an annual premium volume of about \$15,000,000 from sources in Canada, the USA, London and other international markets.

The company requires an experienced underwriter with a solid reinsurance and financial background, preferably several years managerial experience, and good contacts in the reinsurance markets.

Responsibilities of the successful applicant will include:

□ Underwriting and management of the existing portfolio.

□ Development of new business and business contacts, which will entail some travel.

□ Training and supervision of a small group of clerical and underwriting staff.

□ Control of a recently implemented computer-based statistical and accounting system.

Although the company's assumed business now constitutes less than 10% of its income, it views this area as vital to its expansion. The manager of assumed reinsurance will, therefore, be a key person in the company's planning and strategy for crucial developments in this area.

Our client will be conducting interviews in London within three weeks. Please send career details including salary data, in confidence, to J. H. Cobb, Executive Selection Division, quoting reference 3808/L.



Peat, Marwick, Mitchell & Co.

Executive Selection Division, 165 Queen Victoria Street, Blackfriars, London EC4V 3PD

## GROUP FINANCIAL DIRECTOR

Brentwood Neg. from £15,000 + substantial benefits

Our client, Piper Group Limited, is a well established and profitable engineering and computer aided design facility with a rapidly expanding allied electronics manufacturing capability. The Group employs about 200, a high proportion of whom are skilled engineers, and turnover presently approaches £2m. Considerable effort goes into R and D and forward Group planning in this high technology business.

A new position has arisen through growth for a qualified accountant to join the main board, and head up the Group's total financial function, covering at present 2 main divisions situated in Essex, and other outlying locations. Apart from suitably broad senior financial management experience, previous computerised accounting system involvement is required.

Substantial benefits include those normally expected for a main board appointment, and relocation expenses will be negotiated where appropriate.

Candidates, male or female, please telephone for an application form and Job Description to Susan Heath, Recruitment Secretary, on Windsor (07535) 67175 (24 hours) quoting ref DB7348.

**ICFC CONSULTANTS LIMITED** A subsidiary of Finance for Industry Limited



**CJA****RECRUITMENT CONSULTANTS**  
35 New Broad Street, London EC2M 1NH  
Tel: 01-588 3588 or 01-588 3576  
Telex No. 887374A key appointment in a climatically pleasant and stable part of the world.  
Career position carrying a Board appointment in an associate company.**GENERAL MANAGER—HIRE PURCHASE**  
**KUALA LUMPUR—MALAYSIA** **£16,500-£21,000**  
+SUBSTANTIAL BENEFITS

HIRE PURCHASE AND EQUIPMENT LEASING — SUBSIDIARY OF MAJOR INTERNATIONAL TRADING GROUP

We invite applications from candidates who have acquired at least five years' general management experience in the Hire Purchase and Leasing industry, preferably with emphasis on motor business and industrial equipment. Overseas experience, whilst an advantage, is not essential. The successful candidate will have full management responsibility for the company's Hire Purchase business in Malaysia, currently comprising ten branch offices and a portfolio of about £26 million. He will be appointed to the Board of an associate company with a Hire Purchase portfolio of £15 million through seven branches and he will also oversee the operations of a wholly owned subsidiary company in Brunei. A substantial amount of travel throughout the region will be necessary. Initial remuneration negotiable £16,500-£21,000 + education allowances, accommodation, car, family medical cover, six weeks' home leave, home leave passages, children's holiday leave passages, contributory pension scheme. Applications in strict confidence under reference GMHP 4007/FT to the Managing Director.

CAMPBELL-JOHNSTON ASSOCIATES (MANAGEMENT RECRUITMENT CONSULTANTS) LIMITED,  
35, NEW BROAD STREET, LONDON EC2M 1NH. TELEPHONE: 01-588 3588 or 01-588 3576, TELEX: 887374.

Key appointment for self-motivated individual to further develop Company's business and economic information service as well as assist with acquisition planning.

**ECONOMIST/BUSINESS GRADUATE**  
**—CORPORATE PLANNING****LONDON** **£8,000-£12,000**

MAJOR INTERNATIONAL MANUFACTURING AND MARKETING GROUP T/O IN EXCESS OF £700 MILLION

We invite applications from economics/business graduates, in their late 20's who have had several years' experience, gained in a demanding marketing-orientated role in an industrial/commercial environment. The selected candidate, who will report to the Head of Corporate Planning, will have prime responsibility for monitoring business and economic trends in the U.K. and overseas and to maintaining and developing the department's information service. Essential qualities are strong communication skills, numeracy and a practical approach to work. Initial salary is around £10,000, with a non-contributory pension, and free life assurance. Applications in strict confidence under reference E12729/FT will be forwarded unopened to our Client unless you list companies to which they should not be sent in a covering letter marked for the attention of the Security Manager.

CAMPBELL-JOHNSTON RECRUITMENT ADVERTISING LIMITED, 35 NEW BROAD STREET, LONDON EC2M 1NH.

Challenging first job outside profession. Excellent career prospects within expanding European Group.

**YOUNG CHARTERED ACCOUNTANT**  
**Initially CITY** **to £10,000**

HOLDING COMPANY OF FINANCIAL SERVICES GROUP, ITSELF A SUBSIDIARY OF A MAJOR INTERNATIONAL U.S. CORPORATION T/O IN EXCESS \$5,000 MILLIONS

We invite applications from recently-qualified chartered accountants, who should be graduates and whose professional experience will have, ideally, provided some knowledge of U.S. accounting procedures, to join the Financial Director's small hard-working Head Office team which has considerable exposure to a wide range of U.K. and international business matters. The selected candidate will be responsible for: preparing monthly financial statements, their consolidation and reporting to the States; and the consolidation of five year annual operating plans. There will not be any auditing work. Part of the time will be spent on acquisition work and integration projects liaising between the Company's auditors, and U.S. Head Office. Occasional overseas travel may be required. Essential qualities must include the ability to communicate successfully with people at all levels, a sense of humour and self motivation. Initial salary negotiable to £10,000, non-contributory pension, free life assurance, assistance with removal expenses if necessary. Applications under reference YCA12735/FT will be forwarded unopened to our Client, unless you list companies to which they should not be sent in a covering letter marked for the attention of the Security Manager.

CAMPBELL-JOHNSTON RECRUITMENT ADVERTISING LIMITED, 35 NEW BROAD STREET, LONDON, EC2M 1NH.

**INSTITUTIONAL SALES****"Consumer Sector"****Prominent City Stockbrokers****Partnership Prospects** **to £25,000**

Join one of the City's market leaders. Become their primary spokesman on "Consumer Stocks", supported by a team of highly respected and well motivated Analysts.

Our Client: One of the oldest and most respected medium sized firms of Stockbrokers. Their business base is well spread and they are noted for the quality and originality of their research. The partnership is well organised, enjoys a high rating among Institutional Fund Managers; the firm has grown in all sectors, in recent years.

Your Opportunity: Work closely with a well knit team of Analysts, each of whom already has an enviable reputation. Capitalise upon the firm's high standing and existing loyalty among Institutions. Create new business opportunities. Plan Sales Strategy and implement an effective Marketing programme to ensure that the strength

of your team is fully exploited. Use your creativity and innovative skills to focus research effort.

Career Prospects: Are you either an Institutional Partner or an accomplished Equities Salesman seeking a new challenge, scope for rapid development, combined with becoming an integral part of a highly successful team? If so, our client's Senior Partner is convinced he can match your career ambitions.

An Attractive Remuneration Package: High basic salary + bonus/profits sharing scheme + pension + BUPA + 4 weeks holiday. A package befitting City traditions.

ACT NOW! To learn more and discuss the appointment in full detail, telephone (in strict confidence) the firm's adviser: Air Vice Marshal William L. Gill on 01-388 2051. (Night Service: 01-388 2051) Quote Reference 443

This appointment is open to male and female applicants.

**MERTON ASSOCIATES (CONSULTANTS) LIMITED,**  
Merton House, 70 Grafton Way, London W1P 5LN  
Executive Search and Management Consultants**INVESTMENT MANAGEMENT****FUND MANAGER**

This company is wholly owned by Rowe &amp; Pitman but acts independently as an Investment Management operation. It is responsible for the management of institutional funds and private clients, with a total value in excess of £300 million.

An opportunity arises in this company for an experienced Fund Manager. He/she will probably be in his/her late twenties, will have a university degree or professional qualification, and will have had several years' experience in the management of sizeable investment funds.

The post will be entirely concerned with the management of institutional funds and it is important that applicants should have a broad general knowledge of the needs of such funds and the appropriate personal qualities necessary for representing the company at a relatively high level.

Salary will be competitive and there are in addition generous profit-sharing arrangements. A non-contributory pension scheme provides a first-class package of benefits including substantial life cover and widow's pension.

The company supports a subsidised lunch restaurant.

Applications with full curriculum vitae to:

The Hon. J. Ogilvy  
**ROWAN INVESTMENT MANAGEMENT SERVICES**  
City Gate House  
39-45 Finsbury Square  
London EC2A 1JA**Financial Controller****West Sussex**

This successful company, with a turnover of £12m, is prominent in supplying the horticultural industry and in produce packing. There has also been a considerable diversification into the gardening leisure market.

Reporting to the Managing Director and as a member of the small top management team, the financial controller will make a major contribution in formulating and implementing business strategies. Responsibilities will include the maintenance and improvement of computerised accounting and stock control systems, with emphasis on budgeting and cash management.

Candidates should be qualified accountants with experience of financial control, preferably coupled with evidence of the successful development of management information systems. Age: over 30.

Remuneration: up to £12,500 plus car and other substantial benefits, including assistance with relocation expenses.

Please write in the first instance to CT Garcia (Ref 14/80F). All replies will be forwarded direct to our client. List separately the names of any companies to whom applications should not be forwarded.

Thomson McLintock Associates  
70 Finsbury Pavement London EC2A 1SX TML**INTERNATIONAL E.D.P. AUDITORS**

The American International Group is one of the largest insurance groups of its kind in the world employing 19,400 people in more than 130 jurisdictions. Opportunities have now arisen within this expanding group for Internal E.D.P. Auditors who will be required to review new systems development and data centres located in the world's major cities.

Candidates must be qualified Chartered Accountants with substantial E.D.P. audit experience. Applicants can expect to be travelling world-wide on a regular basis so single status and mobility are essential requirements.

All appointments are accompanied by a good tax-free salary and excellent benefits package. Please telephone the Personnel Department for an application form on 01-681 2555 ext. 206 or write with details to:

David Hesley, Personnel Manager,  
**AMERICAN INTERNATIONAL GROUP,**  
American International Building,  
12-14 Sydenham Road, Croydon, Surrey CR9 2LG.**ACCOUNTANT**  
**MERCHANT BANKING**

An excellent opportunity has arisen for an accountant to join one of the world's most prestigious merchant banks. Specialising in Unit Trusts, the successful candidate will have far-reaching involvement in a diverse range of client investments.

The position is likely to suit part or fully qualified accountants with a U.K. financial background. The bank offers a salary of £10,000 (neg.) plus attractive benefits.

For further information call:  
Majella Feely on:  
01-580 3536Alison Harding Limited  
BANKING RECRUITMENT UNIT**SENIOR PROJECT ACCOUNTANT****£10,000**  
**QUALIFICATIONS—ACA OR ACMA**

If you have experience working for Engineering or Petro-chemical industry which is related to contracting environment, are aged 28-40, want to get on end lines with Executive Project Management etc. If you do have the relevant experience please

Laura Hayward  
**ALFRED MARKS STAFF CONSULTANTS**  
01-930 8855**GROWTH CONSCIOUS INTERNATIONAL GROUP**

SEEKS RETURNING EXPATRIATE BANKER OR AMBITIOUS YOUNG QUALIFIED BANKER to manage its expanding European off-shore banking, trust and company management unit. Further progression within the organisation limited only by applicant's ability and enthusiasm.

Write Box A7320, Financial Times  
10 Cannon Street, EC4A 3BY

This advertisement is featured on page 599015 of Prestel

**Finance Director Designate****Sheffield****c. £18,000 + substantial benefits**

Our client is an established and expanding group of industrial companies engaged in the manufacture and distribution of a wide range of cutlery and holloware.

Assisted by a staff of 30 and reporting to the Managing Director, the appointee will have full responsibility for the finance and data processing functions and will be expected to make a major contribution to the management of the company. The first priority will be the development of the

company's financial control and management information systems.

Candidates, ideally 30-45, should be qualified accountants with several years' line management experience in industry. This is a vital appointment and the right person will be expected to achieve directorship within 12 months.

For an application form telephone 01-236 3561 (24-hour service), or write to Neville Mills, quoting reference V1260/L.



Peat, Marwick, Mitchell &amp; Co

Executive Selection Division, 165 Queen Victoria Street, Blackfriars, London, EC4V 3PD.

**International Banking Careers**

Continental Bank is the seventh largest American bank and a leader in the commercial lending field. A continuing period of sustained growth in our international markets has resulted in a requirement for additional trainee lending officers.

Typically the successful candidates, male or female, will have a professional qualification or equivalent and have already achieved a high degree of success in their first career. Responsibility comes early and candidates will have to demonstrate excellent analytical and marketing skills, coupled with self-motivation, drive and enthusiasm. Some form of financial experience would be helpful but is not mandatory.

After an initial period which combines a mixture of practical experience and formal training tailored to individual needs, you will become a lending officer. Major responsibilities include recommending financing proposals and representing the Bank in customer negotiations. Your first assignment will be in the U.K. but subsequently you may be expected to consider opportunities available in the Bank's branches throughout the world.

A comprehensive range of benefits is offered, in addition to an attractive salary.

Please write with full details, including salary history, in confidence to: Stephen Bourne, Personnel Manager, Continental Bank, Continental Bank House, 162 Queen Victoria Street, London, EC4V 4BS.

**CONTINENTAL BANK**  
Continental Illinois National Bank & Trust Co. of Chicago**Personnel Director**

An expanding, aggressively managed Saudi bank seeks a seasoned professional to assume total responsibility for its personnel function. The incumbent will be responsible for personnel administration for 700 staff countrywide, including recruitment, training, policy development and the direct management of 30 departmental staff in three cities.

The successful candidate will have a good degree plus five to ten years' experience in personnel management or related fields.

Attractive salary plus a highly competitive benefits package.

Send C.V. with salary history to: Chief of Staff, Saudi American Bank, P.O. Box 833, Riyadh, Saudi Arabia. Or to: Box A7322, Financial Times, Bracken House, 10 Cannon Street, London EC4.

البنك السعودي الأمريكي  
**Saudi American Bank****Accountants for City consulting**

We are expanding the range of services we offer to City-based clients whose management problems relate to the planning and control, operation and administration of their organisations and the development and enhancement of their systems.

Our need is for graduate accountants aged 27-32 who have experience in City-based institutions and who have recognised that they need to broaden their experience if they are to maintain a rapid career development. We offer you:

- salaries in the range £12,000 to £15,000
- demanding and interesting assignments
- the opportunity to widen your technical and commercial experience
- promotion based on merit
- the chance to work with consultants of other disciplines.

Resumes including a daytime telephone number to E.H. Simpson, Executive Selection Division, Ref. S20/60.

**Coopers & Lybrand associates**Coopers & Lybrand Associates Limited  
management consultantsShelley House, Noble Street  
London EC2V 7DQ



## International Finance Executives for United States

£19,000-£23,000+car

The expansion plans of Midland Bank International Division include the increased exploitation of business opportunities in the United States, for which International Finance Executives are needed.

Operating initially from London, their role will be to develop further the Bank's international corporate business in the United States and they will be capable of marketing the Bank's financial services at the highest levels in a highly competitive environment.

Ideally in their thirties, the successful candidates will have had experience of operating in the United States or at the least acquired a close familiarity with the American business environment and financial institutions. They will need to demonstrate a good understanding of international banking, and the qualities of initiative, enthusiasm and perseverance which have enabled them to achieve success with corporate clients.

All applicants should be able to illustrate their ability to negotiate directly with senior financial directors and must be eager for the challenge and stimulus of a role which presents excellent opportunities for substantial progress in a diversified banking group.

Applicants should also be prepared at a later stage to relocate to the United States if required to do so. The posts carry the benefits normally associated with a progressive bank.

Applicants should write providing concise personal and career details to: Mr. G. C. Castle, Controller of Personnel, Midland Bank International Division, Suffolk House, 5 Laurence Pountney Hill, London, EC4R 0EU.



**Midland Bank International**

## Financial Controller

c.£11,000+car

Luton

Our client, E. Leitz (Instruments) Ltd., is a major German supplier of scientific optical equipment and photographic equipment, which includes the Leica camera, to the UK, operating from its Luton head office. The present Chief Accountant will be retiring at the end of 1980, and the company wishes to appoint a Financial Controller/Company Secretary to take over and develop his role.

The main responsibilities of the new position will be the control of the accounts function, production of financial information for management including budgets and forecasts, development of computer based accounts and the company secretarial function. There is a staff of four.

This position is likely to appeal to young men or women who feel that with several years' post qualification experience outside the profession they are ready to take on a role which involves them as part of the management team. Candidates should be competent accountants with experience in all the areas listed above. Exposure to computer modelling would also be useful.

Salary will be c.£11,000 and other benefits include a company car and a contributory pension scheme.

Please telephone or write for a job specification and application form quoting ref. 1302 to:



Anne Knell,  
Binder Hamlyn Fry & Co.,  
Management Consultants,  
227/228 Strand,  
London WC2R 1BZ.  
Tel: 01-353 5171.

## Senior Tax Accountant International Banking

Bank of America, the world's largest international bank, is seeking a Senior Tax Accountant to join its Europe, Middle East and Africa Division, based in London.

The successful applicant will be responsible for the preparation, submission and agreement of U.K. corporation tax computations for the Bank, its subsidiaries and affiliates. Responsibilities will also include providing tax and financial advice on banking transactions, reviewing local tax procedures for overseas branches, and advising on the structuring of the Bank's subsidiaries.

Candidates must have an ACA or similar professional qualification, supported by at least five years' international corporate tax experience, preferably gained with a large firm of accountants or a multinational organisation. A sound knowledge of double taxation treaties is essential. Experience in a financial institution and an awareness of U.S. tax laws would be an advantage.

Personal qualities of initiative and self-motivation are considered particularly important, as this position is largely unsupervised and will involve substantial contact with senior management.

A competitive salary will be accompanied by an attractive benefits package, including low interest mortgage, car, non-contributory pension and free BUPA.

Write, in strict confidence, with full personal, career and salary details to: A. J. Tucker, Recruitment Officer, Bank of America, 25 Cannon Street, London EC4P 4HN.



**BANK OF AMERICA**

**ACCOUNTANT REQUIRED**  
by large insurance practice in the City to take charge of extremely busy accounts department. Able to direct and control staff of approx. 50. Attractive salary. Write Box 54912, REYNOLDS & SON LTD, Eldon Chambers, 28-32 Fleet Street, London EC4P 1AA.

**Adviser to & Acting General Manager Housing Bank - Bahrain**  
from £18,000 currently Tax Free

To play a leading role in establishing and managing the Bank. The main activities involve the granting of housing loans, the funding of development schemes and other financially related matters. A substantial turnover in excess of US \$200M is envisaged in the next three years.

Duties will include the formulation of Bank policies, budgetary control, processing of loan files, investment of Bank funds, personnel recruitment and co-ordination with other Bahrain national financial institutions. Negotiations for the provision of short and long term loan facilities are also part of the responsibilities.

Candidates shall ideally be educated to a higher degree level (MBA or equivalent) and preferably AIB, with experience in managing a bank, financial institution or building society. Familiarity in management systems and computerised records as well as the ability to train Bahraini staff is desirable.

Knowledge of Arabic, though not essential, would be an advantage. Fluency in the English language, both written and spoken, is of prime importance.

This position, on bachelor or married status, is open to applicants who are willing to relocate to Bahrain for a minimum period of three years and carries above average conditions reflecting the importance of the appointment.

Initial interviews will be conducted in London during the week commencing 27th October 1980.

Please telephone A. J. Hakim, adviser on this appointment, who will be pleased to give you further details in strict confidence.



Management & Recruitment Consultants  
Princes House Suite 407, 39 Jermyn Street,  
London SW1Y 6DT  
Telephone 01-754 9035 Telex 27116

## Foreign Exchange Consultant with Asian Expertise

Chemical Bank, a leader in the field of foreign exchange exposure management consultancy, seeks an exceptional individual to join its newly formed Tokyo group. The professional we select must be able to make an immediate contribution to the group's efforts.

A substantial background in foreign exchange trading and/or advisory work including forecasting of exchange and interest rates is required. Command of a major Asian language is essential, as well as the ability to express complex ideas clearly in English. Graduate degree in International Economics/Politics (ideally with a specialization in Asian studies) coupled with several years of relevant experience are a prerequisite.

A brief period of time will be spent in New York prior to assignment in Tokyo to achieve close familiarity with the group's work internationally, thereafter substantial Asian travel will be involved.

Remuneration will be in keeping with the demands of the position.



Please submit resume with full particulars to: Mark Borsuk, Managing Consultant, Tokyo Branch, 3-1 Marunouchi, 2-Chome, Chiyoda-ku, Tokyo 100, Japan.

Equal Opportunity Employer M/F

## Pensions Manager

London to £20,000

A major industrial group seeks a Pensions Fund Manager, who will be responsible for all aspects of administration for funds currently standing at approximately £300 million, including policy, planning and liaison with both external advisors and employee/membership representatives. There is scope to make a personal impact on the efficiency and standing of the operation.

Candidates must have relevant experience heading (or deputising in) a similar major fund. Age is not material, but 35 to 50 is the preferred range. Some evidence of academic application and attainment, i.e. a degree or professional qualification, is desirable.

For full job description write in confidence to John Courtis at 78 Wigmore Street, London W1H 9DQ, showing clearly how you meet our client's requirements, quoting 7059/FI. Both men and women may apply.

**John Courtis and Partners**

## Commercial General Manager London

c. £16,000

International Military Services is a British Government owned company, engaged in the supply of defence equipment, technical support and major engineering projects for overseas governments.

As a result of increased company activity, we now wish to appoint additional General Managers who will report to the Director of Commercial Division. They will advise operating divisions on the commercial and contractual aspects of bids, assist in or conduct the negotiation of major contracts with both customers and suppliers and ensure that sound commercial practices are developed and maintained.

Applications are invited from men and women who have wide commercial experience and have held relevant posts at a senior level in technically based companies. A knowledge of company finance and ECGO insurance is essential. An appropriate professional qualification would be an advantage. It is unlikely that anyone under the age of 35 will have had sufficient experience.

Benefits include a non-contributory pension scheme and free BUPA membership.

Please write with full particulars to Mr. P. M. Cross, Personnel Manager, International Military Services Ltd., 4 Abbey Orchard Street, London SW1P 2JJ.



**International Military Services Limited**

## INTERNATIONAL LAWYER

Monsanto, a major multinational corporation in the plastics and chemicals industry, has an immediate need for a lawyer at its European Headquarters in Brussels.

The ideal candidate will have from 5 to 10 years experience, preferably in an international law firm or corporation.

Superior academic credentials plus proficiency in English is a must. In addition, good knowledge of German and French will be appreciated.

This position which involves some travel within Europe, commands a competitive salary and fringe benefits and offers good career opportunities.

Please send your application with details, preferably in English to Mr. J. Verlinden, Personnel Manager, MONSANTO EUROPE N.V./S.A., avenue de Tervuren 270-272 - 1150 Brussels, Belgium.

All applications will be handled in strict confidence.

**Monsanto**

**GUY BUTLER (INTERNATIONAL) LTD**  
require

## Experienced Link Brokers

Successful candidates are likely to be between the age of 20-25. Remuneration will be according to experience.

Please write with full details of career to date to: Miss Maureen Ormerod, Guy Butler (International) Ltd, Adelaide House, London Bridge, London, EC4 or telephone 01-623 7758 to arrange an appointment (All applications will be treated in the strictest confidence)

## Fred. Olsen Limited FINANCIAL MANAGER

This International Group, traditionally known for its ship owning activities has successfully expanded to include substantial interests in offshore oil operations.

An opportunity has arisen for an experienced Financial Manager to take responsibilities for Group Treasury, Cash Management, Foreign Exchange, Insurance, Loan and Contract Negotiation.

Applications are invited from men and women aged 28-35 who have banking or treasury experience and an accounting or business qualification.

The post carries an excellent negotiable salary, company car, contributory superannuation, free life assurance and LV's.

If you are interested in this post and have the right qualifications you should write for an application form to:

The Group Personnel Manager, Fred. Olsen Limited, Blackfriars House, 19, New Bridge Street, London EC4V 6DB.

## Jonathan Wren - Banking Appointments

The personnel consultancy dealing exclusively with the banking profession

The following are among our more urgent current assignments:-

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Manager/Vice-President rank, experienced in multi-currency fixed income investment including Foreign Exchange/money market. Age to 45.

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For a leading merchant bank. Several years' fund management experience, both equities and gilts, desirable. Age 27-35.

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Aged 27-32, with bond sales/marketing experience including contact with central banks.

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c. £15,000

Graduate aged 28-35, fluent in French, with international banking experience including current responsibility for U.K. lending/business development.

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The No. 2 position in the Credit Department of an expanding international bank. Aged 25-35, with five years' relevant international banking experience.

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For busy dealing room. Aged 25-30, with several years' spot/forward dealing experience.

**RETIRED BANKERS**  
to £6,500

A number of openings for bankers aged 50-60, experienced in Foreign Exchange, Documentary Credits or Accounts.

For further details of these and other opportunities, please telephone Brian Gooch or Paul Trumble.

First floor-entrance New Street  
170 Bishopsgate London EC2M 4LX 01-623 1266



## Finance Manager

Sydney

c. A\$52,500+car

Hawker Pacific is an international company marketing aircraft, aerospace systems and chemical and pharmaceutical products. It is based in Sydney with operating companies, branches, offices and agents throughout Australia, Asia and the Pacific. It is expecting to achieve sales in 1980 of A\$ 60m.

Because of a planned re-organisation and expansion of the company, the need has arisen to appoint a senior finance executive who will be responsible for corporate, financial and accounting services including treasury functions, EDP, control systems and all associated activities expected of a top finance person.

Ideally aged 35-40 the appointed person will be used to supervising qualified staff and working closely with the senior management in a multi-national environment. There are outstanding opportunities available in this fast growing subsidiary of the Hawker Siddeley Group.

Contact John P. Sleight FCCA on 01-405 3499 quoting reference JS/S16/FMF

**Lloyd Management**  
Recruitment Consultants

125 High Holborn London WC1V 6QA

01-405 3499



## Group Financial Controller (Director Designate)

This EXCITING opportunity is due to the rapid expansion of the company, who have export and continuing offices in Geneva, Paris, Hamburg, Hong Kong, Taipei and New York. In addition they have 11 manufacturing units and considerable business in West Africa. The company's business is wide ranging from consumer goods, to trucks and cars.

This senior appointment demands a qualified accountant with commercial experience ideally gained abroad in an international environment, who has a good working knowledge of French.

The successful candidate will report directly to the Chairman for the financial management of the group. The work will be hard and demanding with extensive travel, sometimes at short notice, however the prospects are excellent.

London Based Age circa 30 Salary circa £13,000 + car  
Our client is keen to make an early appointment so candidates should apply quickly, ideally by telephone, quoting RC2.

**I** Robin R Whalley

**A** INTERNATIONAL APPOINTMENTS (LONDON) LTD

(Executive Recruitment Consultants) Cable: Interpnt, London SW1 Tel: 912821  
Greener House, 66/68 Hagmarket, London, SW1Y 4RF Telephone: 01-839 1601/3 & 01-839 2831

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Full details from:  
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01-587 3811.

## MONEY BROKERS DEALERS

Our client is looking to expand both its Sterling and FX Departments, if you have any experience in the above please contact:  
**Chandos Consultants**  
01-488 9373

## Commercial Lawyer

c. £15,000 + car

A new opportunity has arisen within the UK subsidiary of the world's fastest growing computer company. Our products include word processors, computers and their integration into the electronic office.

The role will initially involve all aspects of contract negotiation with large national and multinational corporations plus public organisations.

We are seeking a qualified lawyer, aged around 30, who has sound commercial experience including proven contract negotiation skills.

You would be based in central London and work in close liaison with our U.S. Head Office.

Our growth will create excellent career prospects and besides the competitive salary and 2 litre car the other benefits include 4 weeks' holiday, pension scheme and BUPA scheme.

If you wish to grasp this unique opportunity send brief career details to:  
Mr T. Edney, Personnel Manager,  
Wang UK Limited,  
211-217 Lower Richmond Road,  
Richmond, Surrey.

Computers  
and word  
processors



## BUSINESS DEVELOPMENT EXECUTIVE

### The Company

Harlequin Enterprises, a Toronto based international publishing company, whose UK Subsidiary is Mills & Boon, has an enviable record of success.

Sales have grown from \$8 million in 1970 to in excess of \$200 million today—an average growth rate of over 35% per annum.

### The Position

The overseas division of Harlequin is now seeking a key executive to report to the Director of Corporate Development based in London.

The job, which will be demanding, will be to identify suitable areas for the expansion and development of the Group's activities. It will involve establishing close working relationships with local operating management, particularly in Europe, and with various financial institutions.

### The Applicant

The successful applicant will have a degree or professional qualification, several years industrial or commercial experience, and will have a formal business training, ideally an MBA.

He or she will have had European experience of corporate development activities including market analysis and acquisition searches which ideally they will have taken through negotiation to contract stage.

The expected age range will be late 20's to early 30's and some language capability (especially French or German) would be an asset. Applicants will currently be earning in excess of £10,000.

This is a senior appointment offering excellent career prospects in a rapidly expanding worldwide group. The remunerations and benefits will reflect the importance of the position.

Please apply in writing to:  
Ken Hersey, Personnel Director, Harlequin Enterprises.

**Harlequin Enterprises Limited**  
15-16 Brook's Mews, London W1A 1DR Telephone: 01-493 8131 Telex: 24420

## Young Chartered Accountant

**DOWELL  
Schlumberger**

c. £12,000

This new post presents a significant opportunity to take a positive step towards financial management. The company is a major multinational providing specialised technical services to the oil and gas industry throughout the world. The initial role in investigation and audit is intended to equip the successful applicant with a broad knowledge of the company's operational, commercial and financial activities. Success will be a strong recommendation for early promotion to a more senior financial management position in the UK or overseas.

Candidates in their 20s must be Chartered Accountants who have the desire and ability to reach senior

management in a demanding environment and should be prepared to spend up to 50% of their working time abroad. Exposure to computer-based information systems and knowledge of a second European language will be an advantage. Initial location is London.

Ref: AA6117478/FT  
Initial interviews are conducted by PA Consultants. No details are divulged to clients without prior permission. Please send brief career details or write for an application form, quoting the reference number on both your letter and envelope, and advise us if you have recently made any other applications to PA Personnel Services.

### PA Personnel Services

Hyde Park House, 60a Knightsbridge, London SW1X 7LE Tel: 01-235 6060 Telex: 27874



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## Lazard Brothers & Co., Limited

As a direct result of the continued growth of our investment business we are offering a number of opportunities with excellent career prospects.

**Private Client Fund Manager  
Pension Fund Manager  
Fixed Interest Fund Manager  
Investment Research Assistant**

Candidates must have specific experience in their chosen field, be educated to degree or equivalent standard, and preferably be aged between 24 and 28.

Suitably qualified men and women should write with full career details, in strict confidence, to:

**The Staff Manager  
Lazard Brothers & Co., Limited**  
21, Moorfields, EC2P 2HT  
01-588 2721

## COMMERCIAL/ FINANCIAL DIRECTOR TELEPHONE CABLES NIGERIA LIMITED

Telephone Cables Limited (TCL), a subsidiary of GEC, has substantial contracts in Nigeria for the planning and execution of telephone cable networks.

TCL has recently established a Company in Nigeria (TCNL) (Telephone Cables Nigeria Limited), with headquarters in Lagos, to develop new and existing business opportunities.

TCNL is now seeking a person for the post of Commercial/Financial Director. The person appointed will have experience of managing a financial/accounting function together with a strong commercial background and a proven record of success in negotiating multi-million pound contracts in a developing country.

The successful applicant would be expected to act as Deputy Managing Director.

The preferred age range is 35-45 and a formal financial qualification is desirable. Younger persons will be considered if they can show that they have the necessary background and experience. Salary and benefits will be competitive with other major companies operating in Nigeria and will include free housing, free medical expenses etc.

Applications with full personal and career history should be sent to:

J. P. WILKS,  
TELEPHONE CABLES LIMITED  
Chequers Lane, Dagenham, Essex, RM9 6QA  
Telephone: 01-582 6611



## Corporate Banking Agribusiness and Commodities

Continental Illinois Corporation and its major subsidiary, Continental Illinois National Bank and Trust Company of Chicago, is the sixth largest bank in the U.S. with total assets in excess of \$40 billion. It offers a full range of financial services around the world through its network of offices in thirty-one countries.

Increased activities in European corporate banking have created a small number of exceptional opportunities for individuals with at least two years experience marketing the products and services of a world-wide financial institution to corporations in the agribusiness or commodities industry. Demonstrable experience in credit analysis and judgement, business development and relationship management are required.

Initial assignments are available in London with subsequent opportunities in most financial capitals of Europe. Successful performance will lead to opportunities on a global scale.

A liberal package of compensation and benefits and full relocation expenses are offered. Qualified applicants should submit a resume or telephone for an application form to Charles E. Becker, Corporate Personnel Services, Continental Bank House, 163 Queen Victoria Street, London EC4V 4BS, England. Tel: 01-236 7444.



**CONTINENTAL ILLINOIS CORPORATION**  
Continental Illinois National Bank and Trust Company of Chicago

## CHIEF ACCOUNTANT (Director Designate)

A fully qualified accountant is required by a growing and diversified marine company, to be responsible to the Managing Director.

A motor trade background would be an advantage.

A negotiable five-figure salary is offered together with usual fringe benefits.



Write with full details to:  
The Managing Director  
Ref: CA/008649  
David Pitton Advertising Ltd.  
16 Bedford Row  
London WC1.

## Financial Executive with Board potential

Cheltenham

c. £19,000+quality car

This new post is to join the top-team of a fast-growing, profitable company building 1,000 + homes annually, producing a turnover around £25m. The appointment of a FINANCIAL CONTROLLER to enable the present Financial Director to make an even greater contribution to the Group's overall development, provides young finance managers with a rare career opportunity offering genuine Board prospects.

This is no job for a "back-room boy". Representing the Company at all levels, internal and external, is a key part of the job and it calls for a rare breed of accountant—one who has high social skills and who enjoys communicating with non-financial people.

Supported by a small enthusiastic team and responsible to the Financial Director, broad responsibilities will include group cash-flow management, the identification and interpretation of business trends and the develop-

ment of management information systems. The top-team is young and aggressive and candidates, male or female, should be in their early thirties with a flair for taking the best business view. Some banking experience may be helpful as would recent experience with small computers, but the overriding requirement is for a gregarious individual who wants to succeed as part of a team.

First class benefits include a Rover 3500 or equivalent, assisted house purchase, free life assurance, sports club facilities and pension help to this delightful area. Please write or telephone for application form to:

Richard Fraser, Financial Director,  
Westbury Estates Limited,  
Westbury House, Lansdown Road,  
Cheltenham, Glos. GL50 2JA.  
Tel: 0242 36191.

## WESTBURY estates

## Stockbroker Vacancy Private Client Management

A vacancy has arisen at a senior level in the private client department of one of the City's leading Stockbrokers. The post has become available as a result of the overseas posting of one of the partners.

The successful applicant will be involved in the management of a group of clients working closely with a partner in the department. Applicants should be experienced stockbrokers familiar with all aspects of private portfolio management and be aged between 25 and 35.

This is an important position in one of the company's major revenue centres. Remuneration and prospects will be commensurate with the importance of the appointment.

Reply in confidence stating companies to which your application may not be forwarded.

David H. Millham  
Deputy Chairman

**Shandwick Consultants Limited**

Warrford Court, 29 Throgmorton Street  
London EC2N 2AT

**Executive Adviser to  
The Minister of Housing - Bahrain**  
Up to £16,000 currently Tax Free

Reporting directly to His Excellency The Minister & The Under Secretary and working closely with various Ministerial Directorates and senior personnel, the Adviser will be concerned with every aspect of the Ministry's affairs, including the development, implementation and execution of Ministerial policies and the drafting of policy documents. The establishment of budgets, and the preparation of detailed reports on both short projects and in-depth studies on a variety of specialised topics leading to development of new policies will also be part of the responsibilities.

The successful candidate should have a BSc or equivalent degree in Management and Administration, or perhaps an MBA with Economics/Financial bias. Fluency in spoken and written English is of the utmost importance. A very high standard of personal judgement, responsibility and initiative will be of major significance.

This is a bachelor or married status appointment, carrying above average conditions, reflecting the importance of the position.

Initial interviews will be conducted in London during the week commencing 27th October 1988.

Please telephone A. J. Hakim, adviser to the Ministry on this appointment, who will be pleased to give you further details in strict confidence.



Management & Recruitment Consultants  
Princes House Suite 407/39 Jermyn Street,  
London SW1Y 6DT  
Telephone 01-734 9035 Telex 25116

## CORPORATE FINANCE

Accepting House

c. £14,000 neg

Our client, a major Merchant Bank, is seeking to strengthen its Corporate Finance team. They require a Chartered Accountant with at least three years' experience in the Corporate Finance field, which could have been gained in a bank or within the profession. He/she will almost certainly be a graduate of a leading university.

Please ring or write to Colin Barry at:  
**OVERTON SHIRLEY AND BARRY (Management Consultants)**  
Second Floor, Marley House, 26 Holborn Viaduct, London EC1A 2EP  
Tel: 01-363 1884

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## GLOBAL ENERGY AND MINERALS GROUP

The Royal Bank of Canada has established a Global Energy and Minerals Group to service and expand our financing of energy, natural resource and mining projects worldwide. Our objective is to become further recognised as one of the world's leading energy banks and we have thus formed the Global Energy Group with headquarters in Calgary.

Capitalising on our existing very strong base in conventional gas, oil and pipeline financing, we plan to increase our involvement in other energy-related fields such as oil sands, petrochemicals, synfuels, LNG's, coal and uranium as well as pipeline development programmes.

To accomplish these GLOBAL objectives, our London-based group will be substantially increased. We are looking for skilled professionals with proven technical experience as well as marketing experience. Successful candidates will be required to travel extensively representing the Bank throughout Europe, the Middle East and Africa. While a banking background could prove beneficial it is not mandatory.

We offer an opportunity to become very knowledgeable in the world of finance and to broaden skills on a domestic and international basis.

**When you succeed... we succeed.**

Please write in confidence to:

Mr. J. B. Reynolds  
Manager, Corporate Personnel Services  
The Royal Bank of Canada, 2 Palace Gate, London W8 5NF

## European Controller

Industrial Products c£20,000

A large U.S. corporation has formed certain of its subsidiaries into a new international company. The European Division, which has a turnover of \$150m primarily in the manufacture and marketing of rubber-based industrial products, is seeking a senior financial executive.

The brief is to provide the financial information and analysis required for the effective management of the region; to control the finance function through the installation and operation of detailed financial planning and reporting systems, mainly computerised; and to ensure tight control at unit level over manufacturing and product costs, cash, inventories and all related accounting operations.

The requirement is a CA, ideally aged 35-40, university graduate with basic industrial management accounting experience which has led to a fairly senior international finance post within a large manufacturing company operating highly developed computerised control systems.

Central London location.

Please write in strict confidence with full personal and career details, quoting ref. 1005/FT, to Philip Smith:

Philip Smith  
Manpower Consultants  
85-87 Jermyn Street, London SW1Y 6JD

## Financial Controller Pharmaceuticals - Europe

The Pharmaceutical Division of Fisons Ltd. employs some 2,000 people in the UK and 1,000 based overseas and has a turnover approaching £100m. The Division successfully markets a wide range of ethical pharmaceuticals through eight wholly-owned subsidiaries in Western Europe. It is for this major profit sector that we wish to appoint a suitably qualified man or woman as Financial Controller.

In this key role you will provide a financial service to divisional management, advising subsidiaries on the control and performance of their individual operations. The appointment is based in Loughborough, but frequent travel within Europe will be necessary.

You should be used to providing creative input to Directors and Senior Management. Ideally you will have had several years' post-qualification experience in a multi-national company in the pharmaceutical or similar industry, with subsidiary operations involvement.

Salary and an extensive range of benefits will reflect the seniority of this post and include relocation expenses to this attractive part of the country.

Please write with full career details to:

G. R. Marsh, Personnel Department, Fisons Limited—  
Pharmaceutical Division, 12 Derby Rd, Loughborough,  
Leics. LE11 0BB. Tel: Loughborough (0509) 63113.



## GRAPHIC ARTS MANAGER HONG KONG

International publisher seeks graphic arts professional as South-East Asia manager based in Hong Kong. Responsibilities include contract negotiations with suppliers, maintaining quality standards, financial reporting and liaison with distribution agents. Strong graphic arts background is essential and experience in traffic management an asset.

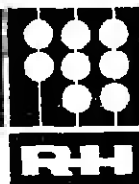
Submit resume and salary history in confidence to:

Box A.7319, Financial Times  
10 Cannon Street, EC4P 4BY

## APPOINTMENTS WANTED

**TOP MANAGER**  
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with impressive record in manufacturing and marketing products and services in UK and overseas is available to take up a challenging appointment.  
Please telephone Huddleston (02026) 43137 or, if preferred, write to:  
Box A.7322, Financial Times,  
10 Cannon Street, EC4P 4BY

**FINANCIAL DIRECTOR (FCAJ) of Public**  
Group, 43, with experience, incl. Europe.  
French, French/German, seeks more  
challenging position. Write Box A.7324,  
Financial Times, 10, Cannon Street,  
EC4P 4BY.



## EDP AUDIT

West London

Vacancies exist both in the UK and overseas with this medium sized American corporation for computer audit experts. Specialisation is necessary either within the profession or industry and the group offers excellent promotional prospects to top grade personnel. Candidates must be self confident, outward going and capable of dealing with all levels of personnel. Knowledge of programming and up to date auditing techniques are virtually essential.

**MANAGEMENT ACCOUNTANT**  
C. London £12,000

Large property management company operating in both commercial and residential fields seeks a very experienced and preferably qualified Management Accountant. Responsible to the Managing Director for the whole accounting function the applicant must demonstrate proven management skills as well as familiarity and being for computer based systems. Communicative skills and an ability to interpret accounting information are highly valued in this attractive post.

## BORED ACCOUNTANT?

C. London £12,000 package  
Are you trained in book-keeping and accounts preparation but bored with accounting? A practical utilisation of such training is in the field of systems advice. Our client is engaged in the design and sale of software packages to both commercial and professional firms, and it seeks a person who can act in a sales support role. Your ability to help the company grow will be well rewarded.

## ASSISTANT CHIEF ACCT.

C. London £11,000 package  
A well-established firm in the insurance and financial field currently requires an accountant with a proven background in the finance sector. The successful candidate is expected to assume the position of Chief Accountant after 12 months. The postholder will supervise a department of 25 staff and be responsible for the maintenance of the entire financial accounting system. Applicants should be aged 27-35 years possessing a MBA or relevant degree.

## INTERNATIONAL DEALERS

East London £10,000  
A firm of commodity traders seeks a qualified accountant with foreign exchange or trading experience to become their Company Accountant with complete responsibility for all accounting functions. Staff supervision is a vital part of the job, and, where necessary, you will implement re-organisation programmes. The company's UK office is small, but the environment is young and dynamic, offering full job satisfaction to the self motivated.

Lee House, London Wall, London EC2Y 5AS Tel: 01-506 6771

**ROBERT HALF**  
Accountancy & Financial personnel specialists

## Executive Officer Commercial Lending

The above position based in Preston has become available due to the expansion of the Bank's business into Commercial Lending. Reporting to the Manager—Commercial Lending—the successful applicant will assist with the development of the service and be responsible for the analysis and assessment of lending proposals.

Applicants should be professionally qualified and have a sound knowledge of securities, lending principles and banking practice relating to all types of business.

A current driving licence is essential.

The commencing salary will be commensurate with experience and qualifications and will be in the range £9,663-£11,789. Benefits include house purchase subsidy, non-contributory pension scheme and relocation expenses where necessary.

Applications marked "Confidential" should be submitted to—

Assistant General Manager (Services Division)  
Trustee Savings Bank of Lancashire & Cumbria  
P.O. Box 29, The Guild Centre  
Lords Walk, Preston PR1 1RE  
Closing date: 30th October, 1980.

**TSB TRUSTEE SAVINGS BANK**  
of Lancashire and Cumbria

## Accountant in the City

salary circa £12,000  
including profit sharing

A successful organisation, working within the Lloyd's motor insurance market, require a youngish chartered accountant to take full responsibility for the everyday management of its financial functions. The Accountant will be part of a small, highly professional team and the stimulating work atmosphere will provide considerable job satisfaction. As part of a large group, there will be wide opportunities for future career development for the successful applicant.

Write in complete confidence, giving details of career experience to date, to the company's professional advisers, for the personal attention of Stuart Rochester.

**Neville Russell  
Associates**

30 Artillery Lane, Bishopsgate, London E1 7LT

## PRIVATE CLIENT ASSISTANT

23-26

This appointment is seen by our client, a highly regarded medium-sized firm of Stockbrokers, as strengthening their Private Client Department. The successful candidate will support the Investment Partners in advising their clientele. She/he is likely to be a graduate with some experience in the investment world, preferably gained with another stockbroking firm. This is a new appointment and offers an opportunity to someone who wishes to demonstrate initiative and investment judgement. A competitive salary will be negotiated; this will include a bonus element. Please apply: Jack Courts, Career Plus Ltd, Chichester House, Chichester Road, Wokingham, RG40 1EG. Tel: 242 5775.

## CHIEF F/X DEALER

DUBAI

c.£25,000+ (Tax Free)

Our Client, a well-established and fast expanding commercial bank, seeks to appoint a senior F/X dealer to assume responsibility for the co-ordination and professional development of its dealing activities.

Ideal candidates, preferably in their late 20's/early 30's, will possess a minimum of 5 years' dealing experience which will have embraced both currency deposits and foreign exchange. Additionally, personal qualities of maturity and presentation are regarded as essential.

This new appointment is a responsible and challenging career opportunity with an initial contract period of 3 years. The remuneration package is extremely attractive and, in addition to the quoted salary, includes car, fully-furnished accommodation and free medical facilities, with 6 weeks' paid home leave per annum.

Contact Norman Philpot in confidence  
on 01-248 3812

**NPA Recruitment Services Ltd**

60 Cheapside, London EC2. Telephone 01-248 3812 3 4 5

## Executive Officers (Classe 7 - 8 or Hors Classe) Large Private Bank - International Department - Paris

A leading private bank wishes to engage EXECUTIVES (Classe 7 - 8 or Hors Classe) for its International Department in the following areas:

### Eurobond Marketing

He will be involved in placing international bonds with the bank's institutional and central bank clientele. He will have a feel for negotiating at top levels. A perfect knowledge of English is required. A working knowledge of German or Spanish would be an advantage.  
Ref. 341 FT

### New Issues

An accomplished negotiator, he will be used to contacts at a high level and will have experience of international bond issues. He will have a perfect knowledge of written and spoken English and ideally of another language (preferably Spanish).  
Ref. 342 FT

### Syndicated Loans

A specialist in international syndicated loans, he will be responsible for prospecting and servicing clients in a group of countries. He will speak and write English and Spanish fluently.  
Ref. 343 FT

### Bond Dealing

The job of this executive officer, who will already have experience in this field, will be international bond dealing. He will speak fluent English.  
Ref. 344 FT

These posts are Paris-based.

Candidates must be at least 30 years old and must already have 4-5 years' experience in their field. Highly motivated, they must have a feel for commercial contacts at top levels.

To competent candidates the bank offers considerable career opportunities. Please be so kind as to send your C.V., photograph and application, indicating on the envelope the reference which applies, to:



(Confidentiality and a reply are guaranteed).

## CHIEF EXECUTIVE

North West

c £30,000 + car

Our Client is a successful British public company with an impressive growth and profit record, particularly within the Division to which the Chief Executive will be appointed.

The Division's distribution chain provides almost national coverage to an industrial sector which is showing healthy potential.

The requirement is for an accomplished General Manager who, probably from a marketing base, has proven ability for business building and development, preferably in consumer markets.

The appointed candidate, aged forty to fifty, will be able to demonstrate an incisive logical and creative commercial outlook, allied to inter-personal and motivational skills of a high order.

The salary indication is £30,000 together with a car and appropriate benefits.

Please write in the strictest confidence to:  
JAMES ALLEN

**PERSONNEL  
SELECTION**

Personnel Selection Limited, 46 Drury Lane, Solihull, West Midlands B91 3BJ  
Telephone: 021-705 7399 or 021-704 2851

This vacancy is open to male and female applicants.



**GUINNESS** c.£10,000 + benefits

### Operations review - the route to line management

This is an excellent opportunity for a young qualified accountant to gain broad commercial experience prior to early promotion into financial management.

Based at Park Royal, West London and reporting to the Finance Director, you will be responsible for all aspects of internal review and investigations and carry out a number of special exercises for him. Working with management of all disciplines will require a high degree of initiative and strong communicative skills.

The prospects within the Guinness group, which has many diversified interests in addition to brewing, are considerable. The generous benefits include a non-contributory pension scheme, 5 weeks holiday and relocation expenses where appropriate. To discuss the position in more detail...

... contact David K. L. Tod, BSc FCA on 01-405 3499  
quoting reference DT/416/GFF.

**Lloyd Management**  
Recruitment Consultants

125 High Holborn London WC1V 6QA

01-405 3499







# Business and Investment Opportunities

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Financial Times  
10 Cannon Street, EC4P 4B  
01-248 5161**

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**278 Old Brompton Road, Kensington  
SW 5 9 HR  
Tel: (01) 373-1151**

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Write Box F.1508, Financial Times  
10 Cannon Street, EC4P 4BY

**For information and prices**  
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53/57 Queen Anne Street,  
London W1M 0LJ.

Write Managing Director, Box F1507  
Financial Times, 10 Cannon Street, EC4P 4BY







## THE ARTS

Grand Opera House, Belfast

## Tosca

by ELIZABETH FORBES

After playing for eight years in various concert halls and other makeshift venues, the Northern Ireland Opera Trust is back where it belongs, in the new Grand Opera House, Belfast. Appropriately enough, the first two-work season is inaugurated with *Tosca*, the last opera to be heard in Frank Marston's beautiful theatre before it sank into decay from which a fairy godmother—the Arts Council of Northern Ireland—has just rescued it. Many technical problems obviously remain to be solved before the Grand Opera House functions with absolute smoothness; meanwhile a splendid start has been made.

The production by John Marston, in ambitiously large-scale and realistic sets designed by seven designers. The false perspective of the interior of Santa Andrea just fails to work, but Scarpa's claustrophobic, shabby apartment in Palazzo Farnese and the platform of Casa Sant' Angelo succeed brilliantly in evoking the Roman scene. Mr. Marston underplays the physical violence of the storm concentrating on the violent emotions of the three main characters. Alun Francis, who conducts the fine Ulster Orchestra, gives Puccini's score a chamber-music clarity of texture without sacrifice of its dramatic tension, which he paces unerringly.

Ala Axarilla sings *Tosca*, avoiding primadonna histrionics. The jealousy of the first-act duet with Cavaradossi is lightly tossed in, but there are plenty of generous-toned climaxes in the theatrical scene with Scarpa, composed by a gentle, touch-

ingly phrased "Vissi d'arte." As Cavaradossi, Benito Mareca offers a well-placed voice with free, ringing notes, and an ability to convey his feelings for *Tosca* convincingly. Deceptively mild in appearance and behaviour, Mario d'Anna's Scarpa is no cardboard villain, but plays his game of cat and mouse.

The ball in *maschera*, the second opera, is set in the Southern states of mid-19th century America, a time and location well-fitting to Somma's libretto. Mr. Gregory's designs—slatted blinds, curtains and a fearsome gallows-tree—are less elaborate than his *Tosca* sets, but equally atmospheric. Chris da Souza produces, building up *Ulrica*, a blind Voodoo priestess who presides at the fatal masked ball, into the major symbol of the work. The NIOT Chorus, under-nourished in Puccini, sing with welcome vigour and attack. Verdi, much helped by Lionel Friend, the conductor, who keeps rhythms buoyant and taut.

Francisco Lazara sings Riccardo without much insouciance—his laughter in the quintet sounds a trifle hollow and forced. But the duet with Amelia is excitingly phrased and projected. Lois McDonald makes an intense Amelia, and her voice rings out with thrilling impact in the gallows aria. Patrick Wheatley's Renato retains sympathy even as an assassin. Mary Gilmore supplies firm line and steady tone for *Ulrica*'s pronouncements. Dinah Harris, a Creole page in lettuce-green trouser-suit, makes a lively, fresh-voiced Oscar. The conspirators are powerfully led by Sean Rea as Samuel.

Picell Room

## Ireneus Zuk

by ANDREW CLEMENTS

A bold pianist who begins a rital with Brahms's F minor sonata. No chance to loosen up, then, to ease gently into for technique is at full stretch immediately to negotiate the treble bars. It was to Ireneus Zuk's credit that he managed to bring considerable excitement to that exposition at the Picell Room on Friday evening. Only his playing may have been clearly Mr. Zuk does not put much store by subtle keyboard manners—but it went on to produce a programme of uncommon directness.

Enthusiasm for the music was communicated infectious, setting technical problems along the way that moderation could not have avoided. As the sonata Mr. Zuk took it, the coda to the final of the F minor sonata, which he required a deadened bravura; much of it was particularly approximate, but he feeling of breathless excitement seemed authentic. If elsewhere in the sonata too much detail was smudged and defective, the Andante and Interozzo left short of combat and rounded phrasing, the scherzo generated enough

clan to suggest that in Schumann also Zuk would find many works to his taste.

As a departure from the romanticism of the rest of his programme, Mr. Zuk included Debussy's *Estampes*. But the change of approach was only partial: there were no mitigating half-shades, no hints of understatement. The *Chinoiserie* of "Pagodes" was given bold, primary colours; "Jardins sous la pluie" was rough dug, rather than carefully tended, its figuration clotted.

Two Liszt pieces—the sixth Hungarian Rhapsody and "Compliments" from *Gloves de Woronine*—suited such a style, better, robust enough to benefit from forceful, and forced, projection. A rarity also: the two *Legendary Poems*, Op. 12 by Victor Kossenko, who spent the second half of his short life in Mr. Zuk's native Ukraine. Easy to dismiss the Poems as Rakhmaninov and water, with darker moments that hinted at Scriabin; but in these committed performances there was a substantial case made out for their occasional inclusion in a suitable context. An enterprising, enjoyable recital.

## Arts news in brief

**The New Spirit in Painting** will be the Royal Academy's main winter exhibition for 1980 opening in the main galleries on January 15 to run for six weeks. The exhibition, which will include the work of about 35 artists, is being put together by a team of selectors, consisting of the Royal Academy's exhibitions secretary, Norman Rosenthal, Christopher M. Joachim, the well-known German art critic and Nicholas Serota, head of The Whitechapel Art Gallery.

Classical music and jazz meet in a series of six concerts to be held by the Tony Coe Ensemble with the Delmé Quartet as part of the Arts Council's Contemporary Arts Network.

Starting at the Round House, London on November 2, the tour takes in Aston University Centre, Birmingham (November 3), Huddersfield Hall (November 5),

Norwich (November 6), Arrol-Johnson Gallery, Bristol (November 8), and the Royal Exchange Theatre, Manchester (November 9).

Tony Coe, described by The Observer as "the best jazz clarinetist in the world today," plays the solo saxophone in the music for the *Pink Panther* films and has played with the Fires of London and the London Symphony Orchestra.

He has written the main piece to be played on this tour, *The Buds of Time*.

The Old Vic has appointed Adrian Vaux as resident head of design for the company. He will be responsible for the design of all productions, both in London and on tour.

It is the first time such an appointment has been made at The Old Vic in the last three years.

Mr. Vaux comes from the Leicester Haymarket Theatre. He also spent many years with The Mermaid Theatre.



"Mary Ann" (left) and "Miranda"

Marlborough Fine Art

## Kitaj's pastels by WILLIAM PACKER

Of all the artists who within the past 25 years or so have sprung from the conservatories of the British Art Schools, which despite much prejudice and propaganda to the contrary afford still, as they always have, an excellent seed bed and protective climate for their delicate and infinitely varied blossomed young shoots, none has blossomed so luxuriously and consistently as the American in exile, R. B. Kitaj. He is indeed by now very much one of ours, having made his career, his name and reputation here; and it is entirely on merit that any show of new work by him, even the revelation of a single new painting, has become an event of some considerable importance to the art world.

Kitaj has always been uncompromising in his commitment to figurative composition, and of a particularly literary cast at that; and if at times he has been inclined to parade his intellectual pretension just a shade too obtrusively, as though to make recalcitrant reference alone the substantive justification of his work as an artist, it remains true nevertheless that his painting as such has been legitimate, and in its time unusually ambitious. For his imagery, formal invention and technical command, his paintings require the highest critical respect; and among them are to be found some of the finest works of the past two decades, made here or anywhere.

All of which should suggest that where the paintings lead the drawings must surely follow; and it is not so simple. An examination of his paintings makes clear immediately that the material, the imagery he has made peculiarly his own, is not discovered directly, not

sought out at first hand in the physical world, but is instead invariably secondary, processed, mechanically simplified and ordered, in some sense pre-digested. Not reality but artificiality is the dominant characteristic: the forms are flattened, the space constructed and distorted, the whole structure and organisation of the work extremely sophisticated and extremely mannered. He might not like the point to be made too forcibly, but the devices and techniques he deploys with such mastery are the staple of abstraction, and the disjunctions, the shifts of scale, the incongruities and sudden jumps and cuts, are the stuff of collage of all kinds: cubist, expressionist, constructivist, surrealist.

Kitaj's work is at once a splendid compound of art historical reference, and an informed commentary upon modern art, knowing, sidelong, sometimes instinctive. If he might seem something of a creative outsider today, hard to place, he would have been perfectly at home in the extraordinary melting pot of Weimar Germany, with such artists as Grosz and Hock and Beckmann for his fellows.

This is all quite as it should be, for the artist, as artist, is what he is, and works as he must. But now we turn to the drawings, of which the current show entirely consists (Marlborough Fine Art until November 7), and it is at this point that a disturbingly large gap opens up between practice and achievement to admit a flood of misgiving. Had these works served to clarify and extend the paintings, there would perhaps have been no inconsistency, but

with a few exceptions they do not.

For in recent years Kitaj has declared himself the guardian, indeed the embattled saviour, of the figurative tradition and its attendant disciplines of academic study. He has been positively Papist in his insistence upon the human figure itself as the first of the artist's preoccupations. Well, perhaps. "The proper study of mankind is Man," and when we are told that the artist, who so freely summons the spirits of Degas and Van Gogh to his side, has devoted himself these two years past to drawing the figure, not unreasonably we expect great things.

And here is the evidence, a group for the most part of large pastel and charcoal drawings, worked with a certain self-conscious intensity, and many of them strikingly frank images of sexuality. Some of them do possess, admittedly, these last especially, a certain iconic authority, but such as it is, even the eroticism, is beside the point. For the inescapable inference of the show is that Kitaj is making a declaration of himself as a figure draughtsman; and the equally inescapable conclusion is that he does not draw the figure, nor le motif, very well.

The chosen technique itself flatters to deceive, all the more so rubbed and scrubbed into a rich, textured surface. Pastel will usually impress, whether it says anything or not; and here the juicy flesh colours and the vivid accents and highlights supply not the substance but only the illusion of authenticity. What modelling there is, over a thigh or across a flank, is cut off repeatedly by a crude

and arbitrary, indiscriminating contour. The handful of portraits are banal in their slick and superficial glamour, their emphasis upon a total, a kind of instant image rather than a discovered and achieved likeness.

But these are faults rather than deficiencies, for they stem not from particular ineptitude but from misapplied strength; for there is no rule which demands of the artist conspicuous virtuosity in all departments of his chosen discipline; and Kitaj is no less a painter for having difficulty with the life figure. Indeed his difficulty gives his art its particular stamp, keeping him away from realism and close to artifice. That crude contour, simplified and refined, and translated into characteristically dry pigment, describes the idealised, abstracted figures that people his dream world; and the paint pulled across the tooth of the canvas holds the surface as the pastel never can, simply itself, whether flat or descriptive.

For dreams conform to their own laws; and in Kitaj's true work it is inner conviction rather than exact anatomy that carries us with it. The large study in this show, and one of the aforesaid exceptions, makes the point for us: the three girls in "The Rise of Fascism" sit strangely together, in no literal space at all, a breast appears beyond an arm, and the head of a reclining figure, its body fore-shortened out of all existence, sits calmly on its flattened, strangely cocked ham; but nothing matters beyond the impressive, brooding, and utterly convincing presence of the work itself.

Gardone

## D'Annunzio's villa

by WILLIAM WEAVER

In 1930, exactly 50 years ago, Gabriele D'Annunzio made a formal gift of his villa and its vast gardens to the Italian nation. Actually, it had already cost the nation considerable sums; and after the poet's death in 1938, it continued to create some financial headaches. Still, it has proved an immensely popular attraction for the many tourists who visit the Lake Garda area. The grounds and the Museum, rich with memorabilia, have been open for some years; then, in 1975, the poet's private apartments were also made accessible, and the number of visitors has risen dramatically. In 1979 admissions numbered 230,000.

But the Vittoriale is not only a museum, a shrine: it is also a Foundation, which is interested in furthering study of D'Annunzio and his period. It sponsors annual productions of D'Annunzio's plays, assists qualified scholars working on the turn-of-the-century period (the Vittoriale houses a large, efficiently-run library), organises special events—such as a festival of films inspired by D'Annunzio's works—and annual scholarly conferences. One of these conferences was held recently, on the subject of "D'Annunzio's Theatre Today," with speakers including Raul Radice, editor of the recently published correspondence of Eleonora Duse and Arrigo Boito; Gerardo Guerrieri, a Duse specialist; and Emilio Mariano, director of the Vittoriale and author of many works on D'Annunzio of capital importance.

To coincide with this conference, the scholar Giovanni Dalla Pozza has arranged, in two rooms near the Museum, a documentary exhibition called "La Fabbrica del Vittoriale." A generous and intelligently chosen array of photographs, letters, architectural drawings, and other papers illustrates the long, complex process by which D'Annunzio transformed a simple country house into the vast labyrinth of the Vittoriale, meant as a monument to Italian valour, but also as a shrine of the poet himself.

"I want to invent the places where I live," D'Annunzio wrote, in a letter of 1926, five years after he had retired to Garda. And from 1921 until his death, 17 years later, he poured all his energy and his imagination into the invention of the Vittoriale. In this job he had the support—the complicity, one would almost say—of a young architect named Gian Carlo Maroni; and the current documentary show at the Vittoriale is really a

testimony to Maroni's considerable—if not always positive—role in the creation of the villa and the grounds.

The photographs show groups of workers building walls or enjoying a flask of wine when celebrating the completion of one of the many buildings here. There are pictures of the prow of the warship *Puglio* being imbedded in the steep hillside garden, jutting proudly towards the lake far below. And there are pictures of the house D'Annunzio first bought, the plain, almost blank Villa Thode (originally the property of Cosima Wagner's son-in-law, a German art historian). Blankness was something D'Annunzio could not tolerate. His horror *rococo* soon made him add a portico to that facade, then some huge stone *stemma*, coats-of-arms. Inside the house, the jumble is even more impressive: the guide-book says that in the bathroom there are over 2,000 objects. When you look around, you believe it readily.

The Foundation publishes a scholarly journal, the *Quaderni del Vittoriale*; and last summer's issue was entirely devoted to an enlightening selection of D'Annunzio's letters to Maroni, edited by Emilio Mariano. Shortly after he met the poet, Maroni was installed in a little house on the grounds; but since D'Annunzio often made himself invisible for long periods, even to his entourage, he despatched letters, hulleins, for a distance of a few metres. Maroni was not only D'Annunzio's architect; he was also required to fend off unwanted visitors or dunning tradesmen, to tend to the humblest details of the complicated routine of the Vittoriale.

Funds came and went, so construction stopped and started. Often several projects would be going on simultaneously, and the workmen would be shifted from one to the other at the poet's whim. Long after D'Annunzio's death, construction still continued; and Maroni left in charge, was able to include his most outrageous conceptions.

Whether one likes him or not, D'Annunzio is an interesting figure. The Vittoriale, with its dizzying jumble of patriotism, religiosity, poetry, with its eerie juxtaposition of rare works and junk, is a place apart. It is no use talking of bad taste or *zoo*; D'Annunzio was far beyond such considerations. The villa is a chapter of his biography, and of history. And it has to be seen to be believed.

Elizabeth Hall

## The English Concert

by RICHARD JOSEPH

London now boasts an impressive pool of "authentic" pre-classical players. Theories of bowing and articulation may vary, but the finest of these players are usually shared between two or three ensembles. It comes as no surprise to find that the string sections of Trevor Pinnock's English Concert and Christopher Hogwood's Academy of Ancient Music are all but identical.

Yet the English Concert's style and approach, as demonstrated at the Elizabeth Hall on Sunday evening, is strikingly individual and very different from the rival Academy's. Their suppleness of rhythm and security of ensemble, the greater imagination revealed in their phrasing, must be attributed to the enthusiasm and thoroughness of Pinnock's direction.

His continuo playing is a model of rhythmic stability and harmonic support is felt and not obtrusively heard, which is right and proper. On Sunday, Pinnock and Kenneth Gilbert played two of J. S. Bach's double Harpsichord Concertos, in C major BWV1061 and C minor BWV1060, and the contrast between Gilbert's classical, steady legato and Pinnock's more detached fingering and effusive phrasing focused this artist's musical profile all the more clearly.

The temperamental differences between these equally fine players made the performances particularly enjoyable and certainly clarified the alternations between the instruments. Both harpsichords—a good Germanic Goble and a nice French copy by the currently fashionable David Rubio—were well matched in tone but not intonation.

A pair of Handel's Op. 6 Concertos framed the programme. After a cool start, the Concert played with enthusiasm and some of the fire and wildness this music needs. British musicians too often concentrate on the Georgian regularity of Handel's harmonic structure, to the neglect of his melodic exuberance. In both the Handel and Bach pieces the group's lightness of bowing created a great variety of staccato, and this kept the inner parts continually alive. Unfortunately, Pinnock bunched his fiddles together on the left, rather than separating first and seconds antiphonally. This meant that many of the quick alternative phrase structures so characteristic of late baroque music were suppressed.

Leader Simon Standage played Leclair's A minor Violin Concerto, Op. 7 No. 5. This is a curious amalgam of Italian passion and French style, which should have suited Standage's detailed, slightly mannered playing well. Unfortunately, a few tricky patches in the opening *ritocco*, and the responsibility of leading the rest of the programme, resulted in his treating the solos with caution rather than abandon.

Elizabeth Hall

## Diana Kacso by DOMINIC GILL

I admired Diana Kacso's performance of the Liszt sonata at the semi-final round of the 1978 Leeds Piano Competition; and also her uneven but impressively gutsy Chaikovsky concerto in the final (at which she eventually won second prize).

I had more reservations about her South Bank recital a year later; and on Sunday afternoon I found her third major recital in London disappointing. Perhaps she is in danger of overreaching herself: of pushing her considerable talents, at too early a stage, too hard.

Any pianist who presents all of Liszt's 12 Transcendental Studies in a single programme makes, implicitly, certain fairly serious claims about his or her technique—in the widest and most transcendental sense of the word. And if a pianist seems to be trying too terribly hard, while playing them, either to hit the right notes (which Miss Kacso managed for the most part with remarkable ease), or to impress simply by the agility with which one is able to negotiate those notes (by and large Miss Kacso's case), the pianist will only tell a fraction of the story of the music.

There was a great deal of it missing in this recital. Little sense of the breath, and breadth, of line that flows, for example, under the sparkle of notes in the A minor Study no. 2—or of the sheer melodic luxury and sensuous indulgence of "Pavane."

Most fundamentally, there was something unfavourably dull about Miss Kacso's rhythms—which blunted the edge of "Mazeppa" so badly that even though she surmounted its trickiest digital problems successfully, the result lacked any kind of high current, high electrical charge. This deficient rhythmic sense—which is as much a matter of subtle emphasis, subtle colour and phrasing as pure motor impulse—permeated the whole of the recital. "Feux follets" was above all rhythmically, not texturally, dull; "Vision" seemed to move on leaden wheels; and she seemed not to have found, or even tried to find, a single solution to the central problem of "Eroica"—how to make the tempo di *marcia* rhythmically interesting.

The notes of her "Ricordanza" unfolded decently enough; but the music itself was a sorry bloom—without gracefulness, capriciousness, quicksilver or grandeur. "Wilde Jagd," whose fervour, sharp edge and silken surge she very nearly caught, was possibly the best thing of the afternoon. But the phenomenon (and deceptively difficult) F minor Study no. 10, which she played last, showed up enough purely technical motor weaknesses to make one doubt the wisdom of the project as a whole. Time will

tell; but the time is not yet come. As a prelude to the Studies she gave Schubert's Little A major sonata D.664, and made it little in every way, no repeats; the tempo of the *andante* slow movement just over the edge into an *allegretto*, enough to turn it from a journey of spiritual discovery into a light-hearted serenade; the finale, drained of all excitement and fantasy, proposed like a well-learned and mechanical exercise. Uninspiring introduction both to Liszt, and to the Schubert Liszt so loved.

## Two RSC plays at Warehouse

The RSC is to stage two new plays at The Warehouse: *The Irish Play* by Ron Hutchinson, which opens on November 18 (performances from November 12) and *Television Times* by Peter Prince, which opens on December 9 (performances from December 3).

*The Irish Play*, a political comedy set in an Irish club in the Midlands, stars John

Cowley, Jim Fitzgerald and P. G. Stevens. It is directed by Barry Kyle and designed by Bob Crowley.

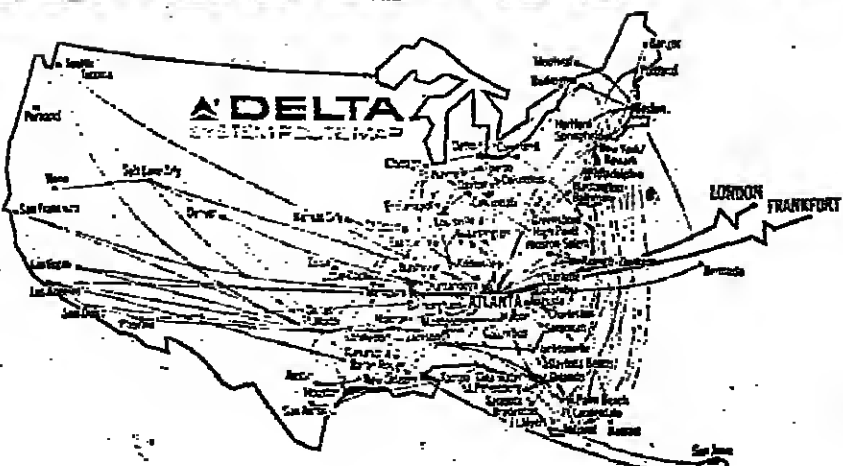
*Television Times* is a comedy with charts the uneven progress of a group of TV professionals working on a major drama series. This is Peter Prince's first play for the RSC. It is also director Stephen Frears' first RSC production.

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## The poodle of the Left

MR. MICHAEL FOOT said yesterday that he was not seeking to be a caretaker leader of the Labour Party. Instead he is offering himself as an under-taker.

Mr. Foot's decision to stand at all is an indication of the desperation of the Labour Left. When Mr. James Callaghan announced his retirement from the leadership last week, Mr. Foot said that the idea of his seeking the succession himself was "most improbable". It appeared to have an election pact with Mr. Peter Shore. True, Mr. Shore seemed an odd candidate for the Left to embrace, but the theory was that if Mr. Shore stood, Mr. Foot would support him and vice versa. Mr. Shore duly declared his candidature.

### Calculation

Now it looks as if Mr. Foot has been seduced by those very same voices that tried in the end to persuade Mr. Callaghan to stay. The far Left does not really have a candidate of its own, which is itself a comment on its credibility. Instead, it is prepared to back almost anyone who might succeed in ousting Mr. Denis Healey. It became clear over the last few days, as indeed it ought to have been clear all along, that the chances of Mr. Shore doing any such thing were not all that great, especially with Mr. John Silkin also in the race. So the Left has turned to Mr. Foot as a better bet, and Mr. Foot has heeded the siren.

As a calculation, there is almost certainly something in it, though Mr. Foot's candidature would have looked rather more impressive if it had been declared at the outset and Mr. Shore and Mr. Silkin had kept out altogether. It should also be said that Mr. Foot does have some merits. His conduct as deputy Prime Minister to Mr. Callaghan did not indicate an unthinking addiction to the ideas of the far Left. On the contrary, he used his position to ensure the Left's acquiescence to policies of economic restraint. That was a brave performance. He is also a constitutional conservative and was prepared to warn a rally of the Tribune Group at the Blackpool Conference three weeks ago not to go too far in its attempts to

undermine the sovereignty of the Parliamentary Party. Not least, he is by nature a conciliator; he believes undoubtedly in his own ability to hold the Party together, and many Labour MPs will be tempted to vote for him for that reason alone.

### Refuge

On the other hand, Mr. Foot is 67. He has not been especially fit. As Secretary of State for Employment and one of the architects of the "social contract," he presided over the explosive wage agreements of 1974. Some of the most permissive legislation towards the trades unions, which has caused such trouble since, stands in his name. He is against British membership of the European Community and in favour of unilateral nuclear disarmament, however much he may have fudged on those issues when in office.

It is possible that all those factors make him the ideal Labour leader and that the unity of the old Party could be preserved, at least for a while. But that is the point: it would be the old Party, committed to the old causes. It is very doubtful whether a Party led by Mr. Foot could retain the allegiance of Dr. David Owen, Mr. William Rodgers or their lesser known supporters. It would be more likely to be a refuge for a mixture of revolutionaries and sentimentalists. The idea of Mr. Foot even beginning to try to end the process of infiltration by the non-democratic left is almost beyond belief.

### Reform

Yet, in a way, Mr. Foot's decision to stand has performed a service. It has exposed the left wing strategy for what it is: a campaign to defeat Mr. Healey at any cost and preserve Mr. Callaghan by other means. Mr. Healey so far has been relatively quiet. He should now come out into the open and say that both the structure and the policies must be reformed if the Party is to have any chance of winning a general election. Reform would be difficult enough under Mr. Healey's leadership. Under Mr. Foot's it would be impossible. Mr. Foot has already consented to become the poodle of the Left.

## Spain bids for expansion

THE POSSIBLE is proving hard enough to achieve: miracles are going to take a good deal longer. Such must be the interim report on the economy of Spain as the country struggles to get out of four years of stagnation or worse. Real growth was only 1 per cent last year and will probably be halved in 1980. The Government forecasts 2.5 per cent in 1981, which looks optimistic. These are rates which do not keep up with population growth, so that Spaniards are becoming poorer.

The long term pattern is easy to discern. A few years ago Spain was seen as one of the coming industrial powers in Europe—a potential member of the European Community with relatively low labour costs and a reputation for stable industrial relations. Efforts were the locomotive of economic expansion. Much of that has changed, largely because of the explosion of the cost of energy in the 1970s and the widespread international recession which it caused.

### Wage levels

Industrial relations still are better than in many another European country, but wage costs have risen steeply—by 16 per cent this year alone. Wages have approached EEC levels and in some cases have surpassed them: a Spanish steel worker, for instance, is paid more than his Italian counterpart. When wages are translated into unit labour costs, overmanning and inefficiency often make matters worse.

The list of Spanish economic problems does not end there. Shipbuilding and steel, which contributed greatly to Spanish industrial achievement in the 1960s, are in trouble the world over. The energy crisis is taking a serious toll of a country which imports 70 per cent of its energy needs. On top of that membership in the EEC may not come about as quickly as hoped for. The French will resort to delaying tactics until they are sure that the argument about the Common Agricultural Policy has been settled in such a manner that Spanish competition will not ruin their farmers and vineyards.

These, then, are the problems. As regards the EEC, Madrid has flown a little more cautiously than the

question of agriculture to be left until the end of the negotiations for accession, among other things until after next year's French presidential elections. (There is a touching belief that French presidents forget the immediate national interest as soon as they are re-elected. Experience teaches otherwise.)

As regards the more fundamental matter of the future of the Spanish economy, a hopeful sign is that industrial investment appears to be stabilising. The impulse has come from small companies detecting a chance in world markets, and from large scale foreign investment. The Government of Dr. Adolfo Suarez intends to seize its chance and wants to spend its way out of trouble.

The draft budget for 1981 provides for a 31 per cent increase in public sector investment. That includes public works, the telephone system, housing, but also State-owned industry. In the latter sphere, a goodly part of the 28 per cent increase foreseen next year in the investment programme of INI, the State-owned holding company. Its investment target for 1981 is Ptas 1,700bn (about £1.6bn) in constant 1980 pesetas.

### Motors

INI has a finger in many industries, profitable and otherwise. Its chief worry at the moment is finding a replacement for Fiat as partner in Seat, the largest Spanish motor company. Seat is making losses and the Italians want to get out. Toyota is said to be looking hard at this opportunity of manufacturing within the European market. Altogether, the motor industry has proved attractive to foreign investors, in spite of its current setback. Ford and General Motors are cases in point: on a smaller scale so are Daimler-Benz, International Harvester, and Nissan.

The future of these and other foreign ventures in Spain will depend ultimately upon the world climate. Spain lacks the strength to spend its way out of worldwide troubles. Others who have tried have paid for it with ever increasing external deficits. That said, Spain's standing as a borrower remains good, and the prize of resumed economic growth justifies the taking of some risks.



Key figures in the hierarchy (left to right)—Mr. Mikhail Gorbachev, Mr. Viktor Grishin, Mr. Vladimir Dolgikh, Mr. Grigory Romanov, Mr. Mikhail Solomentsev, Mr. Petr Demichev, and Mr. Yuri Andropov.

## Behind the Soviet old guard

Anthony Robinson finds there is a disturbing lack of experience among the men most likely to lead Russia when its ageing leaders go



PRESIDENT Leonid Brezhnev and the rest of the Soviet leadership appear to have woken up, rather late in the day, to the possibility that Mr. Ronald Reagan could well be elected President of the United States next month, and the prospect does not appear to please them.

Mr. Brezhnev, in conversation last week with Mr. Armand Hammer, Chairman of Occidental Petroleum, went out of his way to endorse Mr. Carter's bid for re-election by expressing his "high regard" and "warm feelings" for the man who has previously been characterised as vacillating, unreliable and anti-Soviet.

There is no reason to believe the Soviet leadership has fundamentally changed its view of President Carter. But he is at least a known quantity.

Mr. Reagan is still very much an enigma—except that in his public utterances he comes over as strongly anti-Soviet and a supporter of higher military spending. He is also a critic of the SALT 2 agreement while President Carter, whose officials spent over two years negotiating with the Russians, is committed to its ratification.

If the Russians are worried about the prospects for the next U.S. administration, their concern is not matched by growing Western fears about the shape of the new Soviet leadership which is likely to emerge at some stage in the tenure of the new U.S. President.

Mr. Brezhnev, after all, is 73 years old. He came to power in October 1964 when he was 58 as part of the Brezhnev-Kosygin-Podgorny triumvirate. Mr. Lyndon Johnson was U.S. President. Mr. Harold Wilson had just been elected Prime Minister for the first time, and General de Gaulle was still ruling France.

Mr. Podgorny was dismissed at President of the Soviet Union three years ago. But Mr. Alexei Kosygin, aged 76, is still Prime Minister even though virtually incapacitated by recurrent heart and circulatory problems.

Other leading figures of the Politburo "inner four" include Mr. Nikolai Tikhonov, who is 79 next month, and Mr. Andrei Kirilenko, 74, who holds the key party organisation post. The average age of the 14-man Politburo is well over 70, and its oldest member, Mr. Arvid Pelsbe, is 81.

What is more, two of the most senior Government Ministers to hold Politburo rank are also advancing in age. These are Mr. Andrei Gromyko, the Foreign Minister, who is 71, and Mr. Dimitri Ustinov, the Defence Minister, who is 72.

Mr. Gromyko, like other members of his generation, was singled out by Stalin before the outbreak of the Second World War. He became head of the American department of the Soviet Foreign Ministry in 1939 and was sent to Washington as Soviet Ambassador in 1943 at the tender age of 34. His appointment was partly in recognition of his tough negotiating skills but also an expression of Stalin's deep displeasure at the Allied refusal to open a second front in Europe.

Mr. Gromyko has since had an unbroken diplomatic career culminating in his appointment as Foreign Minister in 1957. He has survived six U.S. Secretaries of State and is a personal monument to the continuity of Soviet foreign policy. No other diplomat in the world has his range and length of experience.

But it is precisely this kind of concentration of experience in the hands of such a small and ageing body of men which is so fraught with complications for the future. Policy-making and decision-taking in the Soviet Union are so concentrated and centralised that those outside the charmed Politburo circle have little chance of gaining useful experience of wider issues outside their own narrow range.

There is always a risk, when concentrating on personalities, to underestimate the value of staff work, back-up bureaucracies and research establishments. The foreign ministry in particular is well served by institutes like the U.S. and Canada Institute and the other regional bodies. Even so, there is no substitute in the last analysis for direct experience of negotiations, and decision-taking accumulated over years. Little grooming in this sense appears to have taken place.

It is a problem which has been exacerbated by Mr. Brezhnev himself who, having been carefully groomed by Mr. Khrushchev, subsequently played a key role in his downfall. He has been determined not to suffer a similar fate. Time alone has shown his success.

He has consistently filled key positions in the Party and Government apparatus with men personally loyal to him, particularly those men, nicknamed the Dnieper mafia, who rose with him through the purge-decimated Party apparatus of the Ukraine in the 1930s and 1940s.

These include Mr. Kirilenko, who is widely tipped to become an interim successor to Mr. Brezhnev if a younger candidate cannot be agreed; Mr. Konstantin Chernenko, who was promoted to the Politburo in the last minor reshuffle in 1978; and Mr. Nikolai Tikhonov, who also moved up to the Politburo last year at the age of 74. He is tipped to succeed Mr. Kosygin temporarily in the event of the latter's death or incapacitating illness.

As these men grew older they blocked the promotion prospects of younger men. What is more several ambitious men of the younger generation have been removed. They include the former Party agriculture specialist, Mr. Dimitri Polyanski,

a dangerous dearth of top leadership material among the 14 voting and nine non-voting Politburo members from whose number Soviet leaders are traditionally drawn.

One of the main inferences to be drawn is that the successors to the present leaders will be forced by their own lack of experience or pre-eminence to work out a collective form of leadership for what could prove to be a lengthy interim period. The real problems could arise if the Politburo members failed to agree among themselves, leading to the choice of a compromise candidate for the key Party secretaryship from outside their ranks. This is possible, but unlikely and unprecedented.

At this stage the odds favour the emergence of a new leader from among the handful of Politburo members now in their 50s and 60s. Prominent among these men is Mr. Yuri Andropov who, as chairman of the KGB, is responsible for security and intelligence matters in the Politburo.

It used to be the conventional wisdom that no KGB chief would ever be allowed to take over the top leadership post.

Around the Soviet bloc as a whole, however, there are two. East European Communist parties headed by former security chiefs — Mr. Erich Honecker of East Germany, and latterly Mr. Stanislaw Kania, the new Polish Party boss. The Soviet system is facing a daunting series of economic, political and ideological challenges and the

Romanov. Both men have been involved in rather bizarre incidents in the past two years.

Kremlinologists, and those familiar with the importance of the Russian icon tradition, became terribly excited during last year's May Day celebrations when the Moscow evening paper came out with a doctored photograph on its front page. Careful comparison with other photos taken of the leadership during the parade showed that Mr. Kirilenko, that is to say an "icon," had been eliminated from the photo. The assumption was that this could not have happened without a nudge from Moscow Party boss Grishin.

Some months earlier rumours spread in Leningrad that Mr. Romanov had abused his power to acquire the Carina's china for his own daughter's wedding celebration and that drunken guests had ended up smashing some of the priceless crockery. Both incidents reveal in different ways that these men are powerful—and have powerful enemies.

The problem with both Grishin and Romanov is that neither of them has any substantial experience of foreign affairs.

The same applies to the other two local party bosses in the Politburo. Kuznetsov, the 68-year-old Kazakh Party boss, and Mr. Vladimir Shcherbitski, the 62-year-old Ukrainian Party boss, who also carry the handicap of non-Russian nationality. (After Stalin, a Georgian, the conventional wisdom has it that the party would not stomach

commissar during the war, and later as first secretary of the Moscow Party Committee. He gained industrial experience as chairman of the new Chemical and Light Industry Committee before taking over from Mr. Ekaterina Furman as Minister of Culture in 1979 (a job closely connected with propaganda and media control). He has travelled quite widely outside the socialist camp and played an active role in the run-up to the invasion of Czechoslovakia in 1968.

Two other men in their fifties also deserve attention. Mr. Mikhail Gorbachev, 50, was promoted to the six-man Party Secretariat in 1978 and moved up to the Politburo last year as a non-voting member, but responsibility for agriculture. Another interesting figure is 53-year-old Mr. Vladimir Dolgikh. He has had 40 years' experience in the Secretariat with responsibility for heavy industry — a key sector with close military connections. Mr. Dolgikh is interesting because he represents the post-war educated generation, having both technical and higher educational qualifications and practical experience of industrial management.

The future lies, eventually, with the men of Mr. Dolgikh's generation. But few of them have yet had the opportunity to develop their potential and gain the kind of experience which is required to manage the affairs of a super-power in the challenging conditions of the 1980s. This makes the whole succession question fraught with uncertainty and leaves scope for miscalculation.

The Brezhnev leadership's unwillingness or inability to countenance reforms at any time whilst pressing ahead with expansion of Soviet power and influence abroad will leave a legacy of economic stagnation and military strength. Little effort has been made to adapt and adjust to the major sociological and educational changes which have accompanied the transformation of the Soviet Union into an increasingly urbanised, industrial country. Considerable tensions underlie the superficial calm.

It is the future conduct of Soviet foreign policy which is of most concern—both to the Soviet Union's nervous and insecure allies in Eastern Europe and to the world at large. As American voters go to the polls in two weeks they might well ask themselves which, if either, of the two candidates is better prepared to deal with the risks and opportunities which could arise from leadership changes in the Soviet Union.

## The net result of death, purge and immobility in office is now a dangerous dearth of top leadership material in the Politburo

and Mr. Kirill Mazurov, the ambitious Party boss from Byelorussia who was removed, officially for health reasons, two years ago when he was 64.

Ironically, death has also taken its toll of the younger men. Mr. Fyodor Kulakov, the Politburo man in charge of agriculture, died two years ago aged 61, and Mr. Petr Mashev, the 62-year-old Party boss from Byelorussia, died in a car crash earlier this month. He has just been replaced by 68-year-old Mr. Tikhon Kiselev, a former Premier of Byelorussia.

The net result of death, purge and immobility in office is now

appointment of a former security chief could well look reassuring to many a nervous Party apparatchik.

Other potential rivals for the top job include two relatively young men who are both powerful Politburo members in their own right as well as being Russian nationalists and having full Politburo status. They are 68-year-old Mr. Viktor Grishin, who took over the important Moscow City Party leadership in 1967 after a lengthy career in the trade union movement, and his counterpart in Leningrad and "baby" of the Politburo, 57-year-old Mr. Grigory

another non-Russian as leader.) This nationality factor can also be taken to exclude the further promotion chances of the Azerbaijan, Uzbek and Georgian Party secretaries, who are all relatively young men with Politburo status. But it does give a chance to Russians like Mr. Petr Demichev, the 62-year-old Minister of Culture, and Mr. Mikhail Solomentsev, the 67-year-old Premier of the Russian Federation. Both have non-voting Politburo status of long standing—16 years in the case of Mr. Demichev.

Mr. Demichev graduated as a chemist, served as a political

## MEN AND MATTERS

### Lowe makes a break

How many people, I wonder, know that Edward Lowe has been leading a double life for the past 25 years? By day he is known to many in the business world as the national sales director of Allied Breweries. By night, however, he is friend to the thousands, occasionally millions, who, signing their coccas, sit transfixed by the sizzling of coals in the hearth, and lulled by the soft roars of Ted Lowe, snooker commentator.

This seemingly curious blend of careers, however, seems not at all odd to Lowe himself. "The two have knitted very well together," he tells me. "I am a salesman. I am a beer salesman for Allied and a salesman for snooker the rest of the time."

The division of his energies began in the mid-fifties when he was general manager of the "Wimbledon of billiards," the Leicester Square Hall. It was from there that his voice first went out on the air and then he joined Ind Coopers.

Now 60 and "winding down a bit," Lowe is to retire from Allied and concentrate more on his career at the microphone. His double life, however, will continue. He stays at Allied as a consultant tending social and sporting events, and to fill in the odd spare moment he has accepted a seat on the board of John Baird's compact but lively Queens Moat Houses hotel group.

And then there is the lure of the green baize. The astounding popularity of the sport over the past five years, now spreading healthily across the Commonwealth, has made Lowe an international personality. In Australia, for example, he fronts a popular series on the game.

But at home he will remain a disembodied, carefully modulated voice. Never seen on the screen, he explains: "As a commentator I am not the star of the show. I like to build up



Ted Lowe—the voice is familiar

the people who matter." Although, he adds, "I like to think I'm quite an attractive bloke."

### Thrill seeker

Those who cater for other people's leisure do not get much spare time themselves, says Bob Updeell, who proves the point by hopping straight from the chairman's desk at EMI Leisure to that of the managing director at Hawley Leisure at the end of the month.

Updeell's entire career seems to have been pursued at a gallop. In the past 10 years it has taken him from Chad Valley toys to Ladbroke's holiday camps, and then to EMI's hotels and steak houses.

He is moving on now because he feels the pace of his activities at EMI has been slowing down since the merger with Thorn. "The leisure side has been contracting," he says. "It's only a third of the size it was."

Hawley, the Wakefield-based amusement machines and sports group, offered him the sort of rapidly-expanding environment

in which he feels most at home. Chairman Michael Ashcroft snatched the company from the hands of the receiver three years ago, has since built up a £30m turnover and now plans to branch into hotels and holidays. "Things are moving at a rate of knots," says Updeell. "I'm sure I'll find the excitement there that I've been lacking."

### Harvey annual

Where would we be without Tolley's Tax Annuals? Possibly a little bit poorer, for one thing, since when your byzantine-minded tax consultant milks over a scheme to put a little more of your income out of reach of the revenue men, it is a fair bet that his right hand is grasping one of Tolley's monumental collations of taxation law.

Sales of Tolley's four basic books vary between 24,000 and 35,000. If this year's crop felt a little heavier than usual as they dropped on the desk, that, explains Tolley's Income Tax author, Eric Harvey, is because they incorporate the complex provisions of the largest Finance Act in five years.

Harvey, who once practised as a chartered accountant, reckons the British Revenue "probably the fairest in the whole world." The production of successive tax annuals has led him to the conclusion that the Chancellor might, however, usefully pursue the idea of a regularly autumn budget, a smaller tidying-up operation in the spring masterwork in the light of wrinkles turned up by the accountancy profession and the Revenue over the summer.

Is it not the case, I wondered finally, that tax accountancy is, rather, er, dull? "Bits of it," he replied with cynical-like diplomacy, "are fascinating."

### Castaways

Is it not time for the International Monetary Fund to adopt

a rather more circumspect method of selecting a chairman for its steering group? The current policy on the vital, if dull-sounding interim committee is to pick the man thought best suited, rather than work a huggins-turn rota of member countries.

For the past two chairmen, however, appointment to this elevated post seems to have produced an effect remarkably similar to that of the dreaded Black Spot.

Britain's Denis Healey walked the IMF plank after a brief stay when Jim Callaghan and his crew fell foul of the Tory fleet. His successor, Filippo Pandolfi, only just settled in, now goes overboard since he has been declared "not wanted on voyage" by Italy's new government.

If continuity of control is important to the fund, my experts suggest, its talent spotters might pay less attention to the star qualities of individual candidates and more to the stability of their positions at home.

There will, of course, be no shortage of contenders. Austria's Hannes Androsch, for example, coped manfully when stood in for Pandolfi at the recent fund gathering in Washington. But I must be wary of naming names. The role of Blind Pew to the International financial community is not one I relish.

### Stirring times

Newspeak sample from Ford's Halewood plant, where 400 workers are being paid to drink tea and play cards. Kept on because the company promised no jobs would be lost through automation on the Escort production line, the men, a spokesman announced yesterday, had been "redeployed to the canteen."



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William Hall reports on the stubborn resistance to change in the Royal Dockyards

# The spirit of Samuel Pepys

**WHEN** Sir John Mallabar looked up a copy of the latest investigative document on the state of the Royal Dockyards, he could hardly believe his eyes. Five years after his Committee of Enquiry had been set up, the Government had not only failed to implement the recommendations of his report, but had also failed to take any of the steps which the committee had recommended. The only real difference was that the latest report noted that a "great deal of further work will be required before the Government is in a position to take firm decisions."

There are four Royal Dockyards in Britain—Devonport, Portsmouth, Rosyth and Chatham—plus a small one in Gibraltar. Altogether the dockyards cost the taxpayer more than £400m a year and employ 2,400 people, making them the largest industrial organisation within Central Government. In terms of size, the dockyards rank on a par with the Metal Box or Vauxhall Motors.

Until 10 years ago the Royal Dockyards built warships, but now their sole task is to repair

ships of the Royal Navy. Although staffed largely by civilians, there are around 70 naval officers in senior positions including a Rear Admiral who holds the key post of director of dockyard production and support. Attempts to put the dockyards on a more commercial footing and give them more independence have been frustrated in the past by the fact that the Royal Navy insists on running the dockyards in much the same way as it did in Samuel Pepys' day. The Port Admiral has much more say than the general manager of the local dockyard.

In recent years the performance of the Royal Dockyards has deteriorated severely. Budget estimates for the time and costs of naval refits are rarely if ever met and there have been instances where it has taken considerably longer to refit a warship than to build it, which is a slow job at the best of times.

By the end of the 1960s the Government was anxious to do something about the Royal Dockyards, before the Royal Navy's defence capability was jeopardised. A committee was established under Sir John Mallabar, a chartered accountant and former chairman of Harland and Wolff, the Belfast shipbuilder, with the brief to

investigate the Royal Ordnance Factories (ROFs) and the dockyards. The Mallabar Committee found a relatively high level of overtime working in the dockyards which was not justified by the urgency of the work in hand. Long delays and low productivity were prevalent, and there was a surprising complacency on the part of the managers.

The committee proposed that a much clearer relationship between the customer (the Royal Navy) and the supplier (the dockyards) should be established. The intention was to strike a sensible balance between the costs versus the speed of warship refits. The Navy would be served more efficiently but would also be made aware of the scale of the costs involved in altering designs half way through a warship refit.

Sir John recommended that both the ROFs and the Royal Dockyards be put on a more commercial footing and be made to account for their spending by establishing a trading fund. The Government accepted the recommendations in principle and soon started to implement those applying to the ROFs.

A couple of years later a

Parliamentary expenditure committee strongly endorsed the Mallabar Committee's recommendations on the Royal Dockyards. Indeed it recommended that the reforms should be speeded up and the target date for the establishment of a trading fund brought forward from 1976 to 1974.

As the Mallabar Committee was starting to investigate the Royal Dockyards other reforms were already under way. A new position of chief executive of the Royal Dockyards was created in September 1969 and hard-headed businessman, Mr. L. W. Norfolk, was lured away from ICI to fill the job.

The combination of the infusion of outside talent plus the Mallabar Committee's recommendations seemed to be working. Average cost overruns on major warship refits dropped from 50 per cent to 24 per cent and of the 23 vessels refitted in 1971-72 only four overran on cost and time. However, the Norfolk left in August 1972 and was replaced by a retired Rear Admiral. The momentum for reform of the dockyards seemed to falter.

Enthusiasm for establishing a trading fund also started to evaporate. In spite of further criticism of substantial cost and

time overruns by the Parliamentary Accounts Committee in early 1978, the Government announced that it was dropping the whole idea later that year. After the initial improvement in the early 1970s the performance of the Royal Dockyards once again started to slide downhill. More and more work had to be subcontracted to British Shipbuilders, industrial unrest escalated and output slumped.

In 1974-75 the dockyards completed 13 major refits and 59 normal refits. In 1978-79 the number of major refits had fallen to nine and the number of normal refits had dropped to 37. Even allowing for the increasing complexity of refits there had been a major decline in output. When the statistics for 1979-80 are published they are expected to show a further serious loss of output.

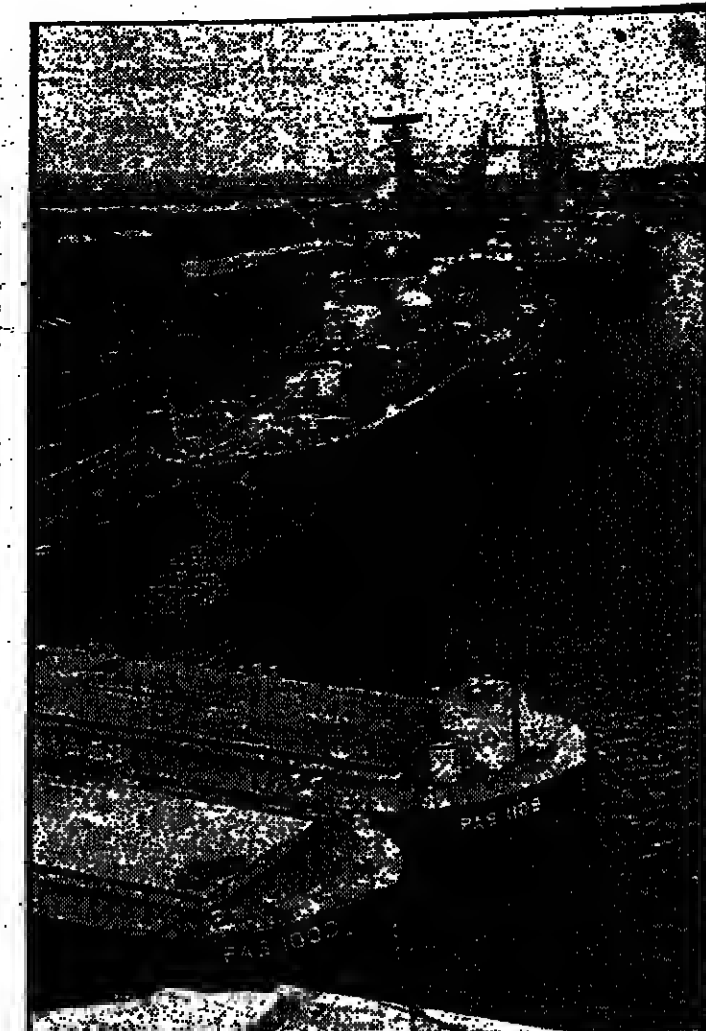
A year ago yet another study of the Royal Dockyards, the fifth since 1950, was commissioned by the Government. The study group consisted largely of civil servants and naval officers but did include one dockyarder. The group found that the Royal Dockyards were hopelessly overloaded with work. The workforce was "discontented about pay and fearful of the future." Management

lacked authority to deal with local problems. Once again the key conclusion to emerge was that the sooner a trading fund was established the better it would be for all concerned. Sir Derek Rayner, the Prime Minister's special adviser on civil service efficiency, was consulted, and he came out strongly in favour of a trading fund for the dockyards, as he had done at the time of the Mallabar Committee report. So to did the staff associations, representing dockyard management.

The report recommends that a trading fund should be introduced "as soon as possible" but significantly this was not a recommendation that the Government did not immediately endorse.

The Government accepted the report's conclusion that all four dockyards should be kept in business and that the introduction of private capital into the dockyards is not practical at present. However, it only "noted" the remaining recommendations.

So, ten years after the Mallabar Committee recommended that the dockyards should be turned into a trading fund—something which was accepted by a previous Conservative Government—the present Government is still thinking about it.



Royal Navy ships in Chatham Dockyard.

Glyn Gera

## How a trading fund might help

**TRADING** funds are not a new idea. A previous Conservative government introduced the Trading Funds Act in 1973 in an effort to make various government bodies more commercially oriented and more accountable for their actions.

A trading fund is halfway between a civil service department and a nationalised industry. The staff are still classed as civil servants but instead of being financed by the normal system of votes and appropriations, a trading fund is given its own capital and a financial target, and told to go away and charge other Government

departments for its services. The change might not sound terribly revolutionary but it does impose a much clearer distinction between the customer and the supplier and the results so far prove that the concept has some value.

When the Act was passed, five possible candidates were singled out for trading fund status—the Royal Ordnance Factories, the Royal Mint, Her Majesty's Stationery Office, the supplies

division of the Property Services Agency and the Royal Dockyards. With the exception of the Royal Dockyards, all now operate as trading funds and generally seem well pleased with the change.

The Royal Ordnance Factories and the Royal Mint, in particular, have thrived under the trading fund regime. The Royal Mint has boosted its operating surplus from £1.9m in 1976 to £6.5m in 1979.

With more than two-thirds of its £38m turnover exported it has won the Queen's Award for Export Achievement and its 21.8 per cent return on inflation-adjusted capital is comfortably above its official target of 15 per cent.

Of all the trading funds, the Royal Ordnance Factories (ROFs) have most in common with the Royal Dockyards. They are both part of the Ministry of Defence and very large

employers of industrial civil servants.

They were both investigated by Sir John Mallabar's Committee on Government Industrial Establishments in 1971. The Committee recommended that both should be turned into trading funds. The ROFs were established as a trading fund in 1974 but the Royal Dockyards still remain firmly embedded in the Ministry of Defence.

ROF management is generally pleased by the greater freedom given under the trading fund regime. Management accountability has been strengthened and performance and output has been much improved.

Sales have more than doubled to £284m in the past three years and well over half of the ROFs' output is exported. The surplus on operations after depreciation has risen from £13.5m in 1975-76 to £31.2m in 1978-79.

Clearly, the introduction of a trading fund is not the only reason for the impressive performance. The ROFs have

been fortunate in winning large export contracts from some Middle East countries, particularly Iran. This has reduced their dependence on the Ministry of Defence from 90 per cent of its business to less than half.

The trading fund has given the ROFs a much more commercial flair. When the large Leeds factory was hit by the cancellation of an Iranian order for 1,200 tanks last year, the ROF quickly reduced the workforce by 500 and went out in

look for other business to fill the factory.

It is now producing equipment for the Thames Barrage and British Aerospace, as well as continuing with its main task of producing battle tanks for the British Army.

The success of the ROFs is such that the Government is now investigating ways of increasing its independence from Central Government. One possibility being seriously considered is the introduction of private capital.

## Letters to the Editor

### Redundancy payments

**FROM** Mr. G. H. Kromers  
Sir—After reading your report (October 17) on the speech of the Chancellor of the Exchequer at the Mansion House banquet, I am wondering if proper allowance has been made for the effects of the Redundancy Payments Act 1965 and other unemployment payments on cessation of employment.

In the private sector employees are made redundant to improve the viability of the business but, to some extent, depending on the length of service of the individuals made redundant, the immediate consequence will be an increased overdraft at the bank. The bank can scarcely refuse the increase as the object of the exercise is to improve the trading position of the client in the longer term.

To what extent can the increase in recent months of bank lending to the private sector be attributed to payments on cessation of employment before the normal age of retirement? To what extent is the increase in savings due to these payments? Tax is not payable by the employer on terminal payments of less than £10,000. If such payments have been included and PAYE deducted, two things may have resulted: a deduction of tax in excess of the employee's actual liability and it will appear that there has been a greater rise in income (as compared with the previous year) than has actually been the case.

It has been suggested that unemployment could rise over the next twelve months by 1m. If that were to happen and lump sum payments were to average £5,000 then the public and private sectors between them would have to borrow £50m from the Bank of England through the clearing banks, assist both the public and private sector to meet their obligations under the Redundancy Payments Act? Should not such payments be deducted before deciding if public spending is in control or not?

G. H. Kromers  
Partingale Lodge,  
Partingale Lane,  
Mill Hill, NW7

### Imports and jobs

**FROM** the Chairman,  
Textile Research Council.

Sir—I refer to Samuel Brittan's economic viewpoint article of October 16.

He states that "import controls not only raise domestic prices but also lead to job losses in exports offsetting any jobs saved on the import side." I feel that this is fundamentally incorrect. Import controls do not raise domestic prices but they might prevent them being lowered if one assumes that the retailer will pass on to the customer the advantage of purchasing cheaply. It should be remembered also that once having crippled an industry then the price of importation is modified upwards so that even if an advantage is passed on to the retail customer it may be short lived. There is no reason why import controls should cause the loss of any export opportunities provided the overseas supplier is aware in advance of the ceiling and it is quite unrealistic to simply sug-

gest that job losses can be offset by jobs saved on the import side without also taking into consideration the cost of maintaining jobs in unemployment.

Every sixth former today is aware of political pricing either for the need to gain currency or due to a surplus situation; when this occurs a country often finds at a price sufficiently low in foreign competition—this is the dumping price level and is the cause for most of the concern particularly in the textile industry.

Our concern should not be for the inefficient company going out of business due to fair competition. It should be an a priori requirement of any free trading nation to protect its industries against dumping. By definition, dumping implies importing at a price less than the most efficient manufacturer in this country and unless it is stopped then he too will go out of business.

Mr. Brittan ought to concern himself more with the really efficient manufacturer who is closing his doors due to unfair competition rather than criticise those who seek—not protection but fair trading.

A matter of considerable concern lies in the fact that our Government does not appear to be aware of when goods are being landed at dumping prices. It is true that an aggrieved industry can eventually provide a case which will be taken up by the Department of Trade but unfortunately by then the patient is invariably dead. What is urgently needed is to provide the dock customs with access to computerised figures which will clearly indicate when dumping is suspected. This is the only time at which the damage to our industry can be prevented and where the onus can be placed upon the importer to prove that the landed cost is justified.

Readers should not be too hasty to write to our lords and masters as suggested by Mr. Brittan, our lords and masters should be preoccupied with trying to find jobs for those who have been replaced by imports and I suggest that economic writers could better spend their time analysing reasons why thoroughly efficient modern well equipped companies are going out of business in the face of what appears to be subsidised imports.

D. Finlay-Maxwell,  
Comite Consultatif Pour la Recherche et Developpement Industrielle,  
c/o John Gladstone and Co.,  
Wellington Mills,  
Huddersfield.

### Advertising the price

**FROM** the Press Officer,  
National Consumer Council

Sir—It is now two years since a survey by the National Federation of Consumer Groups showed that a third of the opinions in their sample were quite willing to display prices. Why, then, should they be prevented from doing so?

It is very good news that the General Optician Council is next month to discuss lifting its present ban on pricing spectacles frames in shop windows. The notice that it is somehow "unprofessional" to display prices in this way is a misguided one. What is unprofessional about letting consumers know the range of choice and price available to them?

It is clear that the present situation is bad both for

patients and for opticians. Some patients actually put off going to opticians for treatment (sometimes for years) for fear of the costs involved. Others show acute suspicion and resentment of opticians because of unclear pricing. It cannot be good for the reputation of opticians for consumers to be making such comments as "It's a racket" and "The treatment's all right but they don't encourage you to have NHS frames; they push the more expensive frames."

And it cannot be good for patients to defer necessary treatment for fear of the cost. Clear pricing would at least give them some idea of the options available.

Wendy Toms,  
18, Queen Anne's Gate, SW1

### The rating system

**FROM** Mr. D. Liss.

Sir—Many councillors and local authority executives such as Mr. R. C. Wright (October 14) working hard to carry out what they see as their duty in unfavourable economic circumstances, and often hindered by insensitive or plainly politically inspired government directives, deserve much sympathy. But Mr. Wright ought not to generalise in the very manner of which he accuses the critics.

He does not help his cause by referring to low salary levels in local government service, while the critics know that these go hand in hand with virtual job security and index-linked pensions. He must know full well that many councils, in contrast to his, have increased their work force in the last six years and, like mine in Hounslow, have spent very large sums of money to little practical effect. And I think that he might agree that councils in many large conurbations behave like some in London, rather than like his council in Whitehaven.

The editor of the Journal of the Inland Revenue, *Sax* Federation (October 13) shows what is surely a disturbing failure to distinguish between various kinds of taxes. He seems unable to understand that while we could all stop smoking, we could certainly not all stop paying rates under the system he defends. He may not know that the last government was reported as considering the abolition of the road fund licence, precisely because it is inequitable, is quite expensive to collect and allows much evasion.

The revelation Mr. Williams calls for could only throw up new anomalies: it would not touch those who now do not pay rates, and voters taxed more harshly than is now the case would remember the present government's manifesto commitment to abolish domestic rates.

From Tunbridge Wells, Mr. Shepherd (October 13) has again made the case for the abolition of the system clearly and in few words. I submit the case stands.

David Liss,  
28, Arcoile Avenue,  
Chislehurst, W5

### Leaving the EEC

**FROM** Mr. R. Kitzinger

Sir—It is interesting to see that Mr. Wistreich, the director of the European Movement (Oct. 10) does not challenge the main theme of my letter (Oct. 5), which was that the diplo-

matic leverage created by the exportable surplus of North Sea oil could be used to arrange reasonable terms for our withdrawal from the EEC.

Mr. Wistreich does, however, challenge my statement that our trade to manufactured goods with the original Six is now running at an annual deficit of £1bn, and claims that the 1979 figure was £2.8bn. The difference between his figures and mine is largely if not entirely accounted for by oil which he has included whereas I have not, for the simple reason that oil could be exported to the EEC, or almost anywhere else for that matter, whether or not we were members.

The figure for 1979 (excluding oil and precious stones) was a deficit of £4.08bn but I agree with Mr. Wistreich that there has been a slight improvement this year in that for the first eight months the deficit ran at an annual rate of £3.58bn. These figures compare with a surplus of £163m in 1970.

My argument remains valid—not even the clumsiest negotiator should experience difficulty in securing continued access to the EEC market for our manufacturers, but should it be necessary to use the North Sea oil "leverage" to make our withdrawal amicable, so be it.

R. Kitzinger,  
31 Oakwood Court, W14

### Personal effects

**FROM** the Director of  
Information, Company Pensions  
Information Centre.

Sir—In your reply to a query headed "Personal effects and a will" last Saturday, it was stated that the death grant from a superannuation scheme goes to the next of kin. With some schemes this is true.

It is, however, probably much more common nowadays for the lump sum to be paid into a discretionary trust with the proviso that the money will then be paid to one or more people falling within a category such as "dependants and relations." The scheme member is often invited to complete an expression of wish form to guide the trustees, although the form is not normally binding on the trustees. Charities would not be eligible to come within the category of dependants to whom benefits could be paid.

Using this discretionary trust method normally enables payment to be made more quickly and avoids transfer tax to be payable.

J. J. Brown,  
Company Pensions Information  
Centre,  
7 Old Park Lane, W1.

### The Irish punt

**FROM** the Managing Director,  
ATP International

Sir—In answer to J. F. McHenry (October 13)—yes, of course we know that many countries use the same dollar sign. The special point about the Irish punt is that the £ until very recently designated only sterling and it is the sudden change in the value of the punt that needs to be emphasised by a different sign. In reply to Stephen Frost, I think the Israeli pound was normally shown as IL.

Norman Gantz,  
ATP International,  
54-55, High Street, Edgware,  
Middlesex

## Today's Events

**GENERAL**  
UK: Mrs. Margaret Thatcher officially opens three newly air-conditioned rooms at the National Gallery.

Mr. William Whitelaw, Home Secretary, speaks at Pye Radio Awards presentation, Savoy Hotel, London.

Mr. C. S. King, B.I. Technology deputy chairman, is opening speaker at Institution of Mechanical Engineers three-day conference on importance of vehicle design on whole life costing, London.

European Offshore and Petroleum Conference and Exhibition opens, Earls Court (until October 24).

Conference and exhibition on marine transportation and storage of bulk chemicals opens, Royal Lancaster Hotel, London (until October 23).

Overseas: Count Etienne Davignon, EEC Industry Commissioner, meets Mr. Jack Curliis, General and Municipal Workers' Union Northern Ireland officer, to discuss Community aid for Kilroot area, Brussels.

The Queen and the Duke of Edinburgh arrive in Tunisia for three-day state visit.

**PARLIAMENTARY BUSINESS**  
House of Lords: Criminal Justice (Scotland) Bill, Commons amendments. Law Reform (Miscellaneous Provisions) (Scotland) Bill, Commons amendments. Tenants' Rights (Scotland) Bill, second reading.

**OFFICIAL STATISTICS**  
Unemployment and unfilled vacancies (October-provisional). Bricks and cement production (third quarter).

**COMPANY MEETINGS**  
Apex Properties, 243-247 Pavilion Road, Sloane Square, SW, 12. F. and C. Eurotrust, 12 Laurence Pountney Hill, EC, 12-15. FMC Agriculture House, 25-31 Knightsbridge, SW, 12. Rowland Gault, Hollywell Lane, Armley, Yorks, 11. A. and J. Macklow, Chamber of Commerce, Edgbaston, Birmingham, 10.30.

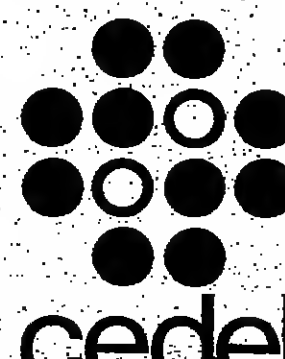
**COMPANY RESULTS**  
Final dividends: Brooke Bond Liebig, Ductile Steels, Medminster, Newman Tonks Group, Paterson Zochonis, Peachey Property Corp. Interim dividends: Estate Duties Investment Trust, Francis Industries, London Brick Company, Mothercare, UBM Group, Interim Agues, Robt. Bradford Holdings, Gosforth Industrial Holdings.

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Companies  
and Markets

## UK COMPANY NEWS

## Bryant Hldgs. profit upturn

AFTER crediting an exceptional item of £1.35m, profits before tax of Bryant Holdings, the building and engineering group, rose to £9.1m in the year ended May 31, 1980 compared with £4.78m in the previous year.

The exceptional item represents the amount being written back out of a total provision of £2.5m made in 1979 and follows a better-than-expected settlement in the group's Saudi Arabia operation.

The board is recommending an increased final dividend of 3.5p (2500p) to lift the year's total from 4p to 5p per share. A one-for-one scrip issue is also proposed. Stated earnings per share, exclusive of deferred tax written back, are 21.0p against 11.5p.

A. C. Bryant, chairman, says the year's results stemmed from the continued success of the private housing activities coupled with increased quality earnings from property development.

The group has had a good first quarter in the current year and Mr. Bryant hopes that creditable results will be presented in 1980-81.

The land bank has only slightly increased from last year, but despite the downturn in housing land prices, the directors are still of the opinion that the present value substantially exceeds the balance sheet figure.

Despite a substantial increase in work in progress, bank borrowings and loans remain almost constant at some £6.3m. At the year end, investment properties were valued at £7.7m, a rise of £2.4m over last year.

Net rents increased to £394,000 from £383,000 and the group is now beginning to feel the benefit of rent reviews, which on valuation amounts to £540,000 included in the £1m surplus on revaluation.

As announced in January the building and civil engineering activities have been combined into Bryant Construction and a new centre of operations is being created, based on the homes activity in the Reading area.

After a 4p rise to 85p yesterday, Bryant has come up by 40 per cent since the end-March interim figures and, in the light of the squeeze on housebuilding margins this year and a neutral outlook for industrial rental growth, that may mark an appropriate moment for a period of consolidation. The shares, nevertheless, seem well supported. The fully taxed p/e, excluding the

Saudi drawback, is 5.2 and the yield is 8.8 per cent. Housebuilding/property hybrids are notoriously hard to value but the 33 per cent discount to re-stated assets per share of 121p is not making over-optimistic assumptions about reversionary income.

The dividend, moreover, is almost covered by net rents and debt is broadly unchanged despite a near 57m rise in stock and work-in-progress to £18m. The contracting division has absorbed above the line reorganisation and redundancy costs of around £300,000 and made little contribution to profits last year. Its order book stands at between £25m-£30m and will probably shrink further given the group's unwillingness to buy turnover.

Bryant looks to have gone proportionately as far down the industrial property road as the larger Fairview Estates and the latter's remarks concerning the fluctuations in housebuilding price/cost relationships are also very apposite in this case.

comment

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second half. They say they are continuing their stated policy of acquiring suitable investments aimed at increasing existing and future profits and assets of the company.

In his interim statement the chairman, Mr. J. Bentley, points out that the acquisitions of Signage Properties and the Queens Gate property were effected as from June 23, and the purchase of Hensher (Furniture Trades) was completed on August 27. In accordance with current accounting practice, he says, profits from these sources are included only from the dates of acquisition.

As fore-shadowed, it is proposed to change the company's name to Bardsey Ltd. at an EGM on November 14.

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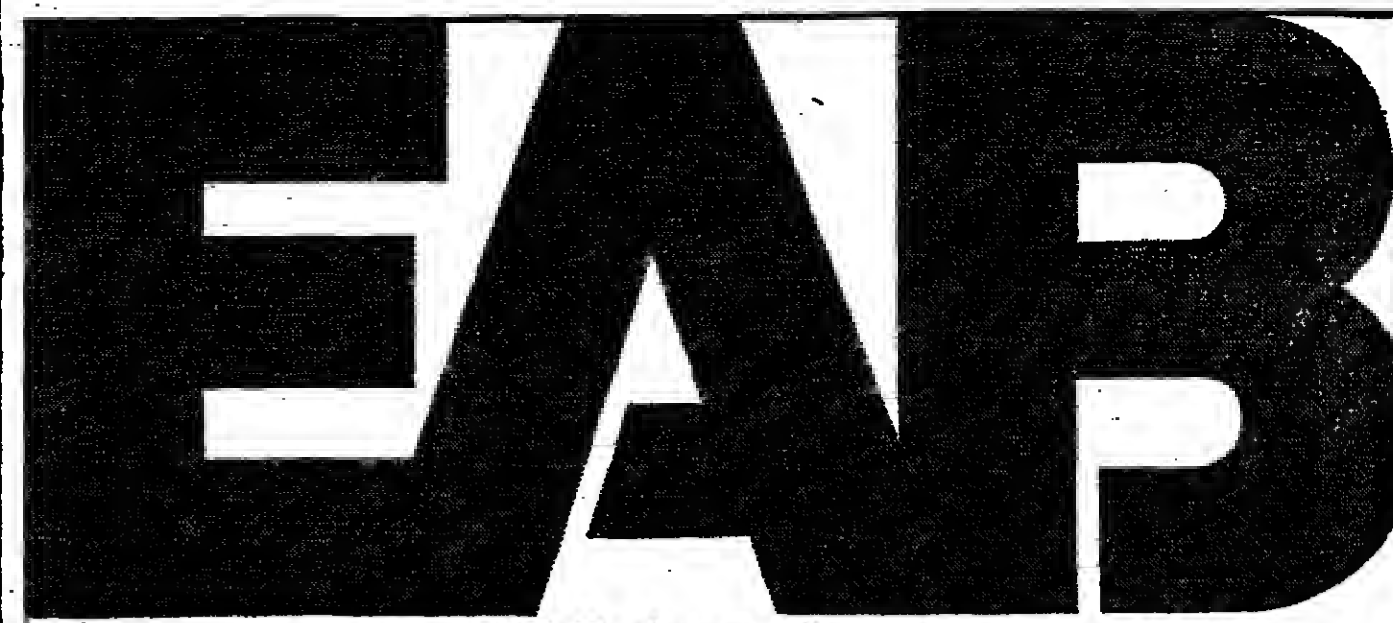
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comment



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Banque Nationale de Paris	Banque de Paris et des Pays-Bas	Banque de l'Union Européenne
Bayrische Landesbank Girozentrale	Boyarische Vereinsbank Aktiengesellschaft	Berliner Handels- und Fremdwärter Bank
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DC BANK Deutsche Genossenschaftsbank	Dillon, Read Overseas Corporation	Dresdner Bank Aktiengesellschaft
Genossenschaftliche Zentralbank AG Vienna	Girozentrale und Bank der Österreichischen Sparkassen Aktiengesellschaft	Hessische Landesbank
Groupement des Banquiers Privés Genevois	Hessische Landesbank	Hill Samuel & Co. Limited
IBF International Limited	Interallians Bank Zürich AG	Japan International Bank Limited
Jardine Fleming & Company Limited	Kleinwort, Benson Limited	Kreditbank S.A. Luxembourggoise
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Kuwait International Investment Co. s.a.k.	Kuwait Investment Company (S.A.K.)	Lazard Frères et Cie
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Wardley Limited	Wood Gundy Limited	Yamatane Securities Co., Ltd.



**Deltight Industries  
Limited**

**PROFITS FOR THE YEAR ENDED  
30TH APRIL 1980**

Results (Audited)	304,80	304,79
Turnover	25,580,566	24,600,833
Group Trading Profit	299,453	519,071
Share of profits of associated company	16,643	4,697
Group Profit before Tax	316,096	523,768
Taxation	114,971	178,597
Group Profit after Tax	201,125	345,171
Deduct: Minority Interests	301	8,306
Profit on sale of properties	200,824	336,865
Profit attributable to the shareholders	298,294	336,865
Dividends		
Interim Paid 2p per share	40,242	
Final Proposed 1p per share	20,121	
Retained Profits	237,931	336,865

Copies of the annual report are available from the Secretary at Stanton Road, Molesey Park, New Malden, Surrey, KT3 6JL.

Deltight Industries Limited

This announcement appears as a matter of record only.



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October 1980



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### Companies and Markets

## BIDS AND DEALS

# Mystery suitor could pay £22m for Giltspur

GILTSPUR, the industrial services group in which Mr. Maxwell Joseph holds a 23 per cent stake, has received a mystery bid approach which could lead to a near £22m offer for the company.

In response to the possible 115p per share offer, Giltspur's shares rose 20p on the stock market to 105p. A brief statement from Giltspur yesterday said that it "has been informed that an offer, which at present has a value of approximately 115p per share, may be made for the whole of the share capital. A further announcement will be made in due course."

Grand Metropolitan, of which Mr. Maxwell is head, holds 6.6 per cent of Giltspur, and is understood not to be the bidder. In its last financial year, Giltspur reported pre-tax profits of £4.6m compared with £4.3m for the year ending March 31, 1980, on turnover of £90.6m, against £85m. In his chairman's statement, Mr. Joseph told shareholders of the group, whose interests range from furnishings and floor-covering hire to engineering design, that "it is difficult to express optimism over the coming months." Mr. Joseph was still considering yesterday what his Grand Metropolitan Company should do about the blocking of its offer for Coral Leisure, the betting shops and holiday camps company, through a reference to the Monopolies Commission.

### PHOENIX MINING SHARES SHOULD BE READMITTED SOON

Shares of Phoenix Mining and Finance, reformed as a property holding and development group, should soon be readmitted to the Stock Exchange after a year's absence. Details of the property acquisitions have been sent to shareholders, who will, under Takeover Panel rules, have to vote by means of a formal poll on the deals at a special meeting on November 3. The plan is for Phoenix to buy two industrial estates in Derbyshire and Nottinghamshire, producing £79,470 in rental income at March last, plus 6.5 acres of industrial development land.

The price has been set at £1.25m compared with a certified open market value of £1.48m, and will be paid through the issue of shares at their 25p par value to the vendors.

The Takeover Panel's decision over the voting procedure arises because the vendor is Burrows (Builders), a private construction company based in Derbyshire, whose shareholders formed part of a consortium which now controls Phoenix after a takeover last year.

At that time the consortium acquired 50.5 per cent of Phoenix at 25p a share, made a similar offer for the remainder but placed sufficient shares to reduce its holding to 41.66 per cent.

Similar arrangements will be made this time with the result that the consortium will ultimately own 45.07 per cent of the enlarged capital. The Panel has waived the obligation for another full bid but has laid down that the members of the consortium and directors of Phoenix who are also part of the consortium cannot vote on the issue.

Phoenix's independent shareholders have been advised by Henry Ansbacher which believes the deal to be fair. The directors claim it will provide strong asset backing plus "the prospect of increasing income as rent reviews fall due."

# AAH makes agreed £5.8m bid for Renwick Group

AAH, the fuel distribution, road haulage, engineering and builders' merchanting group, has made an agreed £5.8m bid for the Renwick Group, the motor cruiser manufacturer with interests in road haulage and fuel distribution.

AAH is offering 65 AAH 5p convertible cumulative preference stock units credited as fully paid for every 100 ordinary shares of Renwick. On this basis, Hoare Covett, brokers to AAH, has confirmed that using a mid-market price of 180p, the AAH preference stock units will be worth not less than their par value.

This ordinary offer values the whole of the Renwick share capital at not less than £5.8m and values each Renwick share at 58p. On the London stock market yesterday, AAH shares rose 2p to 182p while Renwick rose 9p to 58p.

Outlining the background behind the move, which has been recommended to their shareholders by Renwick directors, both groups pointed to their interest in the Western Fuel Company.

Both AAH, with a 25.125 per cent stake, and Renwick with a 50 per cent stake have traded as partners for the last 11 years together with the National Coal Board as partners in Western Fuel Company.

It is intended that if the ordinary offer is declared unconditional, Renwick's interest in Western Fuel and Renwick Freight will be transferred to British Antarctic Sales, a company within the British Fuel Company Group, at a value of some £3.5m.

Western Fuel Company will retain its identity as part of British Fuel Company Group. In a joint statement both AAH and Renwick said "it is the firm belief that this closer relationship will lead to improved trading opportunities for both Western Fuel Company and British Fuel Company."

Renwick Freight has for some years incurred substantial trading losses and rationalisation has been proceeding for some time. "It has been recognised by the Renwick board that further rationalisation is necessary to return the division to profitability and it is intended that this re-organisation will now take place within the framework of British Fuel Company's road haulage activities."

The Renwick Group consolidated accounts for the period ending March 29, 1980 showed profits before tax and extra-

ordinary items of £1.8m on a turnover of £65.5m and profit after tax and minorities of £1.195m. Net tangible assets attributable to ordinary shareholders at that date amounted to £3.383m.

For its year ending March 31, AAH reported pre-tax profits before extraordinary items of £3.07m on turnover of £53m and net attributable profits before extraordinary items of £3.5m. Net tangible assets attributable to AAH shareholders amounted to £1.97m.

As part of its bid, AAH is offering £3.3625 AAH preference stock units for every 100 4.5 per cent convertible cumulative redeemable £1 preference shares of Renwick. AAH is also offering 200 of its preference stock units for every 100 10 per cent convertible cumulative redeemable £1 Renwick preference shares.

The offers together value the whole of the Renwick share capital at not less than £7.2m. The ordinary offer becomes unconditional, Renwick will declare a special interim dividend of 2.1p, payable on February 4.

### BP BUYING 50% OF NORWEGIAN COMPANY

BRITISH PETROLEUM is to take a 50 per cent stake in T. Skretting AS, of Stavanger, Norway, that produces animal feedstuffs, particularly feed for fish farming, as part of an industrial co-operation deal.

It will pay some Nkr 200m for its share in the company and inject a further Nkr 20m later, without increasing its ownership stake. In addition, a BP subsidiary which makes animal feedstuffs, Trow and Company NV, Holland, will help Skretting to market its products in Europe and give the Norwegian company access to Trow's research and feedstuff technology.

**LAWRIE PLANTATION**  
Jatel has acquired 4,000 shares of Lawrie Plantation Holdings making its holding 131,000 shares (5.15 per cent). Jatel and its parent company, Camellia Investments, now hold 1.26m shares (49.57 per cent).

**SHARE STAKES**  
Tarrow Chemicals Holdings—J. K. Farrow, director, has disposed of 50,000 shares at 30p and 50,000 at 31p leaving holding 2,018,750 shares (34 per cent).

# Mining Supplies will not raise its offer for Laurence Scott

Mining Supplies, the Doncaster company which is bidding for Laurence Scott, the electrical machinery and control gear maker, will not increase its offer for Scott.

Mr. Arthur Snipe, chairman and managing director of Mining Supplies, has given the warning in a letter to Laurence Scott shareholders.

In his letter he has told shareholders that profits of his own group had moved ahead. For the first five months of trading to September 28, 1980, turnover was £11.8m compared with £8.4m and profit was £2m compared with £0.3m.

The current business is being maintained at a satisfactory level with a lively increase in export markets. The 60p cash alternative offer will close on October 22 while the offer is extended to November 5. Under the terms of its bid Mining Supplies is offering eight of its shares for every 17 Scott shares. With shares of Mining

Supplies standing at 124p yesterday, the bid values Scott at £5.5m.

### JOHN BAKER (INSULATION)

Mr. John Baker has completed the acquisition of John Baker (Insulation) into a video-tape and home entertainment business.

The company has announced formal approval for its change of name to Intervision Video (Holdings), following the £1.35m cash acquisition of a video-tape rental business of this name and the signing of a £9.5m deal to buy films from United Artists.

The final stage of the reconstruction was signalled yesterday when Mr. John Baker, Mr. Bentley's father-in-law, announced that he was buying back the insulation business for £195,000. To pay for the purchase, Mr. Baker has exercised his conver-

sion rights to his preferred shares — by paying Intervision £132,500 and then placed his entire holding of 1,865m shares. The sale of the insulation business is conditional upon shareholders' approval.

### STANLEY GIBBONS EXPANDS IN U.S.

Stanley Gibbons International has formed Stanley Gibbons North America Inc. as a holding company for four U.S. operating subsidiaries and has also started Stanley Gibbons Auction Galleries Inc. to conduct rare stamp auctions.

The first action is expected to be on November 18. In establishing Stanley Gibbons North America, the group has bought back all rights to the SC name in that country. The rights were bought back from a company that previously had been authorised to use the name in a small retail stamp business in New York.

### COMPANY ANNOUNCEMENT

## WESTERN DEEP LEVELS LIMITED

(Incorporated in the Republic of South Africa)

### OFFER OF 12 PER CENT UNSECURED DEBENTURES

In respect of the offer to members registered on September 19 1980 of 60 000 000 12 per cent unsecured debentures 1980/1993 of R1 each, at par, in 1 000 000 units of 60 debentures each, subscriptions have been received for approximately 98.5 per cent. The balance of approximately 1.5 per cent of the debentures offered will accordingly be subscribed for in terms of the underwriting agreement.

The offer closed on October 17 1980. Certificates in respect of the debentures subscribed will be posted to applicants on or about November 1 1980. Subscribers for the debentures will then also be issued with certificates for the share options to which they are entitled in terms of the offer.

Johannesburg  
October 21 1980

# Rand Mines Limited

A Member of the Barlow Rand Group

## Gold Mining and Colliery Company Reports for the Quarter ended 30th September, 1980

(All Companies incorporated in the Republic of South Africa)

Office of the Secretaries of the undermentioned companies in the United Kingdom: 40, Holborn Viaduct, London EC1P 1AJ.

### HARMONY GOLD MINING COMPANY, LIMITED

ISSUED CAPITAL: R13 342 325 IN 26 004 650 SHARES OF 50 CENTS EACH	
REPORT OF THE DIRECTORS FOR THE QUARTER ENDED 30TH SEPTEMBER, 1980.	
Quarter ended 30.9.1980	Quarter ended 30.9.1979
OPERATING RESULTS—ALL PRODUCTS	
Gold milled (t): 30,510,000	30,510,000
Gold produced (t): 7 853	7 853
Uranium—gold treated (t): 1 226,000	1 226,000
Uranium—gold produced (t): 1 226,000	1 226,000
Pyrite concentrate recovered (t): 37 255	37 255
Sulphuric acid produced (t): 37 255	37 255
Total Revenue (R1 million): 33.45	33.45
Costs (R1 million): 40.30	40.30
Profit before taxation and State's share of profit: R125 922	R111 725
State's share of profit: R14 172	R10 000
Profit after taxation and State's share of profit: R111 750	R101 725
Capital expenditure: R143 034	R131 009
Dividend declared: R14 172	R10 000
Profit before taxation and State's share of profit: R125 922	R111 725
State's share of profit: R14 172	R10 000
Profit after taxation and State's share of profit: R111 750	R101 725
Capital expenditure: R143 034	R131 009
Dividend declared: R14 172	R10 000

Interim dividend No. 30 of 200 cents per share was declared on 11th September, 1980 payable on or about 7th November, 1980 to shareholders registered at the close of business on 26th September, 1980.

There are commitments for capital expenditure amounting to R9.5 million including R7.5 million for the new uranium plant. The estimated total capital expenditure for the remainder of the current financial year is R20.0 million which includes R5.7 million for the new uranium plant.

For and on behalf of the Board:  
D. T. WATT (Chairman)  
R. J. FOURIE (Directors)

14th October, 1980.

### DURBAN ROODEPOORT DEEP LIMITED

ISSUED CAPITAL: R2 325 000 IN 46 900 SHARES OF R5.00 EACH	
REPORT OF THE DIRECTORS FOR THE QUARTER ENDED 30TH SEPTEMBER, 1980.	
Quarter ended 30.9.1980	Quarter ended 30.9.1979
OPERATING RESULTS	
Gold milled (t): 30,510,000	30,510,000
Gold produced (t): 7 853	7 853
Uranium—gold treated (t): 1 226,000	1 226,000
Uranium—gold produced (t): 1 226,000	1 226,000
Pyrite concentrate recovered (t): 37 255	37 255
Sulphuric acid produced (t): 37 255	37 255
Total Revenue (R1 million): 33.45	33.45
Costs (R1 million): 40.30	40.30
Profit before taxation and State's share of profit: R125 922	R111 725
State's share of profit: R14 172	R10 000
Profit after taxation and State's share of profit: R111 750	R101 725
Capital expenditure: R143 034	R131 009
Dividend declared: R14 172	R10 000
Profit before taxation and State's share of profit: R125 922	R111 725
State's share of profit: R14 172	R10 000
Profit after taxation and State's share of profit: R111 750	R101 725
Capital expenditure: R143 034	R131 009
Dividend declared: R14 172	R10 000

Interim dividend No. 30 of 200 cents per share was declared on 11th September, 1980 payable on or about 7th November, 1980 to shareholders registered at the close of business on 26th September, 1980.

There are commitments for capital expenditure amounting to R9.5 million including R7.5 million for the new uranium plant. The estimated total capital expenditure for the remainder of the current financial year is R20.0 million which includes R5.7 million for the new uranium plant.

For and on behalf of the Board:  
D. T. WATT (Chairman)  
R. J. FOURIE (Directors)

14th October, 1980.

### EAST RAND PROPRIETARY MINES LIMITED

ISSUED CAPITAL: R5 950 000 IN 119 000 SHARES OF R5.00 EACH	
REPORT OF THE DIRECTORS FOR THE QUARTER ENDED 30TH SEPTEMBER, 1980.	
Quarter ended 30.9.1980	Quarter ended 30.9.1979
OPERATING RESULTS	
Gold milled (t): 30,510,000	30,510,000
Gold produced (t): 7 853	7 853
Uranium—gold treated (t): 1 226,000	1 226,000
Uranium—gold produced (t): 1 226,000	1 226,000
Pyrite concentrate recovered (t): 37 255	37 255
Sulphuric acid produced (t): 37 255	37 255
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Costs (R1 million): 40.30	40.30
Profit before taxation and State's share of profit: R125 922	R111 725
State's share of profit: R14 172	R10 000
Profit after taxation and State's share of profit: R111 750	R101 725
Capital expenditure: R143 034	R131 009
Dividend declared: R14 172	R10 000
Profit before taxation and State's share of profit: R125 922	R111 725
State's share of profit: R14 172	R10 000
Profit after taxation and State's share of profit: R111 750	R101 725
Capital expenditure: R143 034	R131 009
Dividend declared: R14 172	R10 000

Interim dividend No. 30 of 200 cents per share was declared on 11th September, 1980 payable on or about 7th November, 1980 to shareholders registered at the close of business on 26th September, 1980.

There are commitments for capital expenditure amounting to R9.5 million including R7.5 million for the new uranium plant. The estimated total capital expenditure for the remainder of the current financial year is R20.0 million which includes R5.7 million for the new uranium plant.

For and on behalf of the Board:  
D. T. WATT (Chairman)  
R. J. FOURIE (Directors)

14th October, 1980.

### WELGEDACHT EXPLORATION COMPANY, LIMITED

ISSUED CAPITAL: R4 000 613 IN 80 012 SHARES OF 50 CENTS EACH	
REPORT OF THE DIRECTORS FOR THE QUARTER ENDED 30TH SEPTEMBER, 1980.	
Quarter ended 30.9.1980	Quarter ended 30.9.1979
OPERATING RESULTS	
Gold milled (t): 30,510,000	30,510,000
Gold produced (t): 7 853	7 853
Uranium—gold treated (t): 1 226,000	1 226,000
Uranium—gold produced (t): 1 226,000	1 226,000
Pyrite concentrate recovered (t): 37 255	37 255
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State's share of profit: R14 172	R10 000
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Dividend declared: R14 172	R10 000
Profit before taxation and State's share of profit: R125 922	R111 725
State's share of profit: R14 172	R10 000
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Capital expenditure: R143 034	R131 009
Dividend declared: R14 172	R10 000

Interim dividend No. 30 of 200 cents per share was declared on 11th September, 1980 payable on or about 7th November, 1980 to shareholders registered at the close of business on 26th September, 1980.

There are commitments for capital expenditure amounting to R9.5 million including R7.5 million for the new uranium plant. The estimated total capital expenditure for the remainder of the current financial year is R20.0 million which includes R5.7 million for the new uranium plant.

For and on behalf of the Board:  
D. T. WATT (Chairman)  
R. J. FOURIE (Directors)

14th October, 1980.

### WITBANK COLLIERY, LIMITED

ISSUED CAPITAL: R13 616 625 IN 272 332 SHARES OF 50 CENTS EACH	
REPORT OF THE DIRECTORS FOR THE QUARTER ENDED 30TH SEPTEMBER, 1980.	
Quarter ended 30.9.1980	Quarter ended 30.9.1979
OPERATING RESULTS	
Gold milled (t): 30,510,000	30,510,000
Gold produced (t): 7 853	7 853
Uranium—gold treated (t): 1 226,000	1 226,000
Uranium—gold produced (t): 1 226,000	1 226,000
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Capital expenditure: R143 034	R131 009
Dividend declared: R14 172	R10 000
Profit before taxation and State's share of profit: R125 922	R111 725
State's share of profit: R14 172	R10 000
Profit after taxation and State's share of profit: R111 750	R101 725
Capital expenditure: R143 034	R131 009
Dividend declared: R14 172	R10 000

Interim dividend No. 30 of 200 cents per share was declared on 11th September, 1980 payable on or about 7th November, 1980 to shareholders registered at the close of business on 26th September, 1980.

There are commitments for capital expenditure amounting to R9.5 million including R7.5 million for the new uranium plant. The estimated total capital expenditure for the remainder of the current financial year is R20.0 million which includes R5.7 million for the new uranium plant.

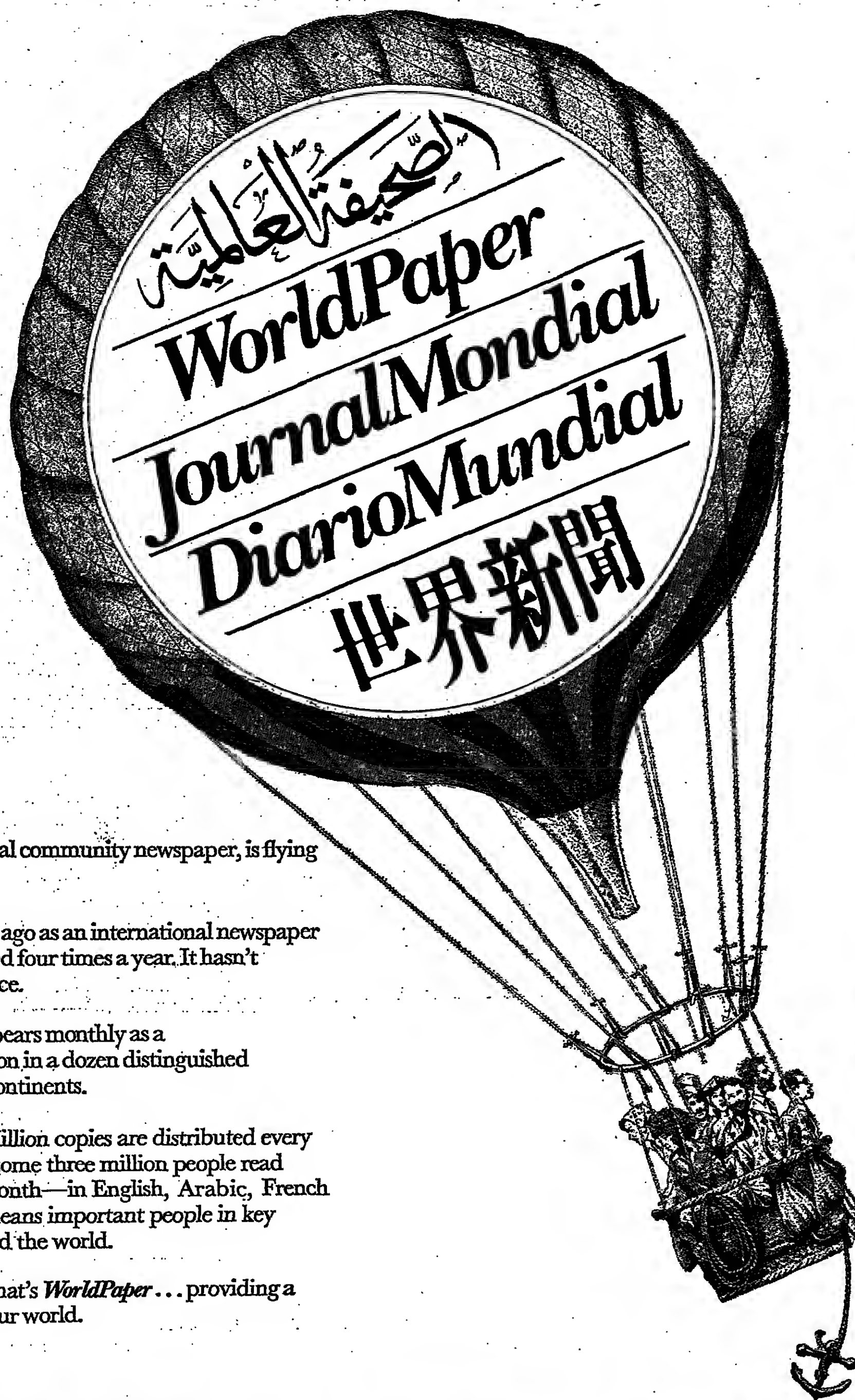
For and on behalf of the Board:  
D. T. WATT (Chairman)  
R. J. FOURIE (Directors)

14th October, 1980.

### BASE LENDING RATES

A.B.N. Bank	16	%	Hambros Bank	16	%
Allied Irish Bank	16	%	Hill Samuel	16	%
American Express Bk.	16	%	C. Hoare & Co.	16	%
Amro Bank	16	%	Hongkong & Shanghai	16	%
Bank of America	16	%	Industrial Bk. of Scot.	16	%
Bank of Canada	16	%	Keyser Ullmann	16	%
Bank of China	16	%	Knowles & Co. Ltd.	16	%
Bank of India	16	%	Langris Trust Ltd.	16	%
Bank of Japan	16	%	Lloyds Bank	16	%
Bank of Korea	16	%	Edward Manson & Co.	17	%
Bank of London	16	%	Midland Bank	16	%
Bank of Mexico	16	%	Samuel Montagu	16	%
Bank of New York	16	%	Morgan Grenfell	16	%
Bank of Paris	16	%	National Westminster	16	%
Bank of Rome	16	%	Norwich General Trust	16	%
Bank of Spain	16	%	P. S. Refson & Co.	16	%
Bank of St. Petersburg	16	%	Russell	16	%
Bank of Tangier	16	%	Robt. B. Canada (Ld.)	16	%
Bank of Tunis	16	%	Schlesinger Limited	16	%
Bank of Union	16	%	E. S. Schwab	16	%
Bank of West Indies	16	%	Security Trust Co. Ltd.	17	%
Bank of Zanzibar	16	%	Standard Chartered	16	%
Barclays Bank	16	%	Trade Dev. Bank	16	%
Bremar Holdings Ltd.	17	%	Trustee Savings Bank	16	%
Brit. Bank of Mid. East	16	%	Twentieth Century Bk.	16	%
Brown Shipley	16	%	United Bank of Kuwait	16	%
Canada Perm't Trust	17	%	Whiteaway Laidlaw	16	%
Cayzer Ltd.	16	%	Wills & Glyn	16	%
Cedar Holdings	16	%	Wintress Secs. Ltd.	16	%
Charterhouse Japhel	16	%	Yorkshire Bank	16	%
Chenong	16	%	Members of the Accepting House Committee.		
C. E. Coates	16	%	7-day deposits 14 days, 1-month deposits 14%.		
Consolidated Credits	16	%	14-day deposits on sums of \$10,000 and under 14% up to \$20,000 and over 150,000 14%.		
Co-operative Bank	16	%	Call deposits over 17,000 14%.		
Corinthian Secs.	16	%	\$ demand deposits 14%.		
The Cyprus Popular Bk.	16	%			
Duncan Lawrie	16	%			
Eagel Trust	16	%			
E. F. Trust Limited	16	%			
First Nat. Frs. Corp.	16	%			
First Nat. Secs. Ltd.	16	%			
Robert Fraser	16	%			
Antony Cihbs	16	%			
Creighton Guaranty	16	%			
Grindlays Bank	16	%			
Guinness Mahon	16	%			





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At Large



Yoshiko Sakurai  
Northeast Asia



Mochtar Lubis  
Southeast Asia



Arun Chacko  
South Asia



Hilary Ng'weni  
Sub-Saharan Africa



Simon Bruen  
Eastern Europe



Jacqueline Grapin  
Western Europe



Anthony Westell  
North America



Carlos Rangel and  
Sofia Linher  
South America



Mark Gerzon  
At Large

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Dubai

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Kuwait

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Beirut



GW

## Notice of Redemption of

GULF & WESTERN  
INTERNATIONAL N.V.5% Guaranteed Sinking Fund Debentures Due 1988  
Convertible into Common Stock of Gulf & Western Industries, Inc.

NOTICE IS HEREBY GIVEN to the holders of the 5% Guaranteed Sinking Fund Debentures Due 1988 (the "Debentures") of Gulf & Western International N.V. ("International") that in accordance with the terms of the Indenture dated as of February 1, 1968 among International, Gulf & Western Industries, Inc. ("GWI") and Citibank, N.A., as Trustee, International has elected to redeem all of the outstanding Debentures on November 20, 1980 (the "Redemption Date") at a redemption price of 101.75% of the principal amount thereof plus accrued interest from February 1, 1980 to the Redemption Date. Payment of the redemption price and accrued interest, which will aggregate \$1,057.64 for each \$1,000 principal amount of Debentures, will be made upon presentation and surrender of the Debentures, together with all unexpired interest coupons attached, at the offices of the Paying and Conversion Agents set forth below.

The Debentures will no longer be outstanding after the Redemption Date and all rights with respect thereto, including accrual of interest and the right to convert the principal of the Debentures into G+W Common Stock, will cease on that date, except for the right of the holders thereof to receive the redemption price and interest accrued to the Redemption Date.

Debenture holders have as alternatives to redemption, the right to sell their Debentures through usual brokerage facilities or, on or before the close of business on November 20, 1980, to convert the principal of such Debentures into G+W Common Stock.

## CONVERSION OF DEBENTURES INTO COMMON STOCK

The Debentures may be converted into G+W Common Stock at the rate of \$15.57 per share or approximately 64.23 shares for each \$1,000 principal amount of Debentures. In order to effect this conversion, a Debenture holder should complete and sign the CONVERSION NOTICE on the Debenture or surrender to the Paying and Conversion Agent a similar signed notice together with the Debentures to be converted. A holder who surrenders Debentures for conversion will receive a certificate for the full number of whole shares of G+W Common Stock to which he is entitled. No fractional shares will be issued upon conversion of any Debentures, but in lieu thereof G+W will pay in United States dollars an amount equal to the market value of such fractional share computed on the basis of the last reported sale price of G+W Common Stock on the New York Stock Exchange, Inc. ("NYSE") on the last business day prior to the date of conversion. If more than one Debenture shall be surrendered for conversion at one time by the same holder, the number of full shares which shall be deliverable upon conversion shall be computed on the basis of the aggregate principal amount of Debentures so surrendered. The conversion will be deemed to have been effected on the date on which the Paying and Conversion Agent receives the Debentures surrendered for conversion together with a duly executed CONVERSION NOTICE. No payment or adjustment will be made upon conversion of Debentures for interest accrued thereon. Debentures surrendered for conversion must be accompanied by all of the eight interest coupons maturing each February 1 from 1981 through 1988.

## IMPORTANT INFORMATION FOR DEBENTURE HOLDERS

From January 1, 1980 through October 13, 1980, the last reported sale prices of G+W Common Stock on the NYSE, as adjusted for the five-for-four split-up of G+W Common Stock on April 30, 1980, ranged from a high of \$20.50 per share to a low of \$11.10 per share. The last reported sale price of G+W Common Stock on the NYSE on October 13, 1980 was \$18.50 per share. So long as the market price of G+W Common Stock is \$16.50 or more per share, Debenture holders, upon conversion, will receive Common Stock having a greater market value (with cash paid in lieu of fractional shares) than the cash which they would receive upon redemption.

Questions and requests for assistance should be directed to a Paying and Conversion Agent or to Gulf & Western Industries, Inc., Investor Relations Department, 1 Gulf & Western Plaza, New York, New York 10023. Telephone No. (212) 333-3700.

## PAYING AND CONVERSION AGENTS

Citibank, N.A.  
Receive & Deliver Department  
111 Wall Street, 5th Floor  
New York, NY 10043

Citibank, N.A.  
Citibank House, 336 Strand  
P.O. Box 78  
London WC2R 1TB  
England

Citibank, N.A.  
Grosse Gallusstrasse 16  
Postfach 2505  
6000 Frankfurt/Main, Germany

Citibank, N.A.  
Avenue de Tervuren 249  
P.O. Box 7  
B-1150 Brussels, Belgium

Citibank, N.A.  
Herengracht 545-549  
Postbus 2055-1000  
CB Amsterdam, Netherlands

Citibank, N.A.  
60 Avenue des Champs Elysees  
BP 738-08  
75361 Paris Cedex 08, France

Citibank, N.A.  
Piazza della Repubblica 2  
Casella Postale 4076  
20121 Milan, Italy

Kredietbank S.A. Luxembourg  
37 Rue Notre Dame  
Luxembourg-ville, Luxembourg

Gulf &amp; Western International N.V.

October 21, 1980

Companies  
and Markets

## MINING NEWS

Share buyers hurry back  
for Australian mines

BY KENNETH MARSTON, MINING EDITOR

AUSTRALIAN mining share markets jumped for joy. Under yesterday's, not so much because of the virtues of the Liberal Administration but mainly because Saturday's Federal Election had not brought the Labor opposition to power. The metals and minerals index bounced up 606.59 to 7,025.52 and turnover expanded to a near record.

London prices opened strongly, but not quite as high as their counterparts in Sydney. A certain amount of selling then developed but it was met with fresh buying in a market described as hectic by leading dealers. Closing prices were only a little below the day's highest levels in most cases.

Western metals were finally 27p up on the day as 302p after 308p while similar gains were seen in CRA at 335p and MIM Holdings 284p. Among the uranium, Pancontinental were finally 35p to the good at 385p after 425p while Feko-Wallend were around the day's best levels with a rise of 60p to 600p. Gold Mines of Kalgoorlie rose 13p to 563p after 578p.

The question being asked was, of course, what happens next? A key to the answer must lie in just how much the market has been checked in previous weeks by the possibilities of a Labor Party win at the polls. There has been a certain amount of precautionary selling, while there is no doubt that a good deal of purchasing on behalf of major institutions and other investors has been hanging fire pending

the outcome of the election. It would be naive to think that the pent-up demand was entirely unleashed yesterday. It is argued that the shrewd buyers would wait until the initial market euphoria waned and that they would then move in under more favourable dealing conditions. At the same time, however, investment managers live with a dread of missing the boat.

Market observers were thus inclined to feel that the rise could go further but if it falters in the next few days, the underlying demand will act as a cushion. It also suggested that the more speculative exploration issues might take advantage of the post-election relief to become even more than usually forthcoming with exploration news which, to a large degree, could have fallen upon fallow ground in the recent weeks.

Overall, we could see some erratic movements in the share market for the next week or so, but then the "normal" market forces should again dominate thinking. In the meantime UK investors holding good-class long-term investments should, as before, sit tight while those seeking to purchase might decide to bide their time for a while; world economic conditions have not changed.

Profits rise  
at Freeport

NET INCOME of America's Freeport Minerals for the third

quarter ended on September 30 advanced by more than one-third from \$37.8m to \$37.9m (\$15.5m), on the back of sales up by \$52m to \$181.5m.

This sparkling performance lifted net income for the nine months by 44 per cent to \$106.8m, or \$3.45 a share, from \$73.4m or \$2.40. Sales for the nine months were \$485.5m compared with \$357.4m.

The group's interests stretch from sulphur through oil, gas and uranium to base and precious metals. Sulphur seems to have been one of the main contributors in the latest quarter.

Freeport said that the recent hostilities in the Persian Gulf had interrupted the supply of about 65,000 tons per month to the world market from the region. As a result, the group's own stocks were reduced by a further 80,000 tons in the third quarter.

Freeport is expecting continued high demand for fertilisers from U.S. farmers. The new Caillou Island sulphur mine has been brought to completion some two months ahead of schedule, and first production is expected shortly, which will help to relieve the group's supply problems.

Development of the new Ertsberg "East" underground copper, gold and silver orebody is also ahead of schedule, and running well under the budgeted \$101.5m. Initial ore production is expected before the end of the year.

Rand Mines  
group gold  
profits rise

THE PATTERN of earnings boosted by a higher gold price in the face of rising costs and its most cases, of reduced production resulting from the milling of lower average grades is followed by the September quarterly reported by the South African gold mines of the Rand Mines group.

Average gold prices received by the mines in the past quarter are around \$870 per ounce compared with \$856 in the June quarter; prices received by individual mines vary according to the timing of gold sales.

The latest quarterly net profits are compared in the following table.

	Sept.	June	1979
Net Profit	21,072	20,722	20,000
Blyvoor	8,954	8,557	8,557
Durban Deep	12,404	10,884	13,200
E. Rand Pty.	34,887	31,227	37,700
Harmony			

All the profits make a good showing. Those of the marginal producer, Durban Deep, came out particularly well thanks to a further increase in ore milled. While the mine's dividend increase prospects are limited to some extent by its high capital spending, an interim dividend was declared in June of 10p (8p) which compared with total payments of 155 cents for 1979.

Another marginal mine, E. Rand Proprietary, earned more last quarter despite a production loss occasioned by underground fire for which an insurance claim for some R500,000 has been lodged. This mine also has heavy capital expenditure ahead.

## OIL AND GAS NEWS

## C\$2bn plan for Canadian Arctic gas

BY GEORGE MILLING-STANLEY

A GROUP of Canadian companies has filed an updated version of a pilot project, expected to cost more than C\$2bn (£713m), to bring natural gas in liquefied form from the Arctic Islands to either Nova Scotia or the lower St. Lawrence via the Lancaster Sound and the coast of Labrador.

The companies are seeking approval for the project from Canada's National Energy Board, the Department of Indian and Northern Affairs and the Department of Transport.

The proposal involves shipping liquefied natural gas in ice-breaking carriers from a terminal on the south shore of

Melville Island, 2,500 miles north of Calgary in the eastern-central Arctic, to either Canso, a deep water port in Nova Scotia, or Gros Cacaoua, on the lower St. Lawrence below Quebec City, reports Robert Gibbons from Montreal.

The planned route is 225m cubic feet of gas per day, and two 140,000 cubic metres carriers would be needed. Including terminals and the development of the gas field in the north of Melville Island, the project would cost almost C\$2.3bn.

The companies involved are the state oil company Petro-Canada, with 37.5 per cent, Nova Corporation (formerly Alberta

Gas Trunk Line) with 25 per cent and Melville Shipping (a consortium of three shipping companies) with 17.5 per cent. Panarctic Oils, which is controlled by Petro-Canada, is the owner of the gas, and TransCanada Pipelines, controlled by Dome Petroleum, would own and operate the southern terminal. The earliest possible completion date for the project is 1985-86.

The intention is to feed the gas into the future Quebec Maritime gas pipeline system, displacing supplies from Western Canada. The National Energy Board

and the Canadian Government have so far been in favour of the project, but opposition has been developing from the Inuit of north-eastern Canada and Greenland on the grounds that the plan represents an environmental hazard and a potential source of damage to sealing and thus the traditional Inuit way of life.

CANADA'S Sceptre Resources of Calgary, has acquired an exploration concession covering 7,580 sq km onshore Abu Dhabi, in the United Arab Emirates. Sceptre's partners include Esso, Valley Industries, Western Mines and Scarborough Resources.

## A FINANCIAL TIMES CONFERENCE

Australia: The Attractions  
for Future Investment

MELBOURNE 30 &amp; 31 October 1980

The Rt.Hon.J Malcolm Fraser, Prime Minister of Australia, will give the keynote address at this conference on The Attractions for Future Investment in Australia, arranged by the Financial Times in association with the International Federation of Stock Exchanges (FIBV) and supported by the Australian Associated Stock Exchanges.

The environment for major investment in the country including the development of Australia's energy and mineral resources and the industries based upon them, will be among the subjects to be analysed during the two days.

## Speakers will include:

Senator The Hon. J.L. Carrick  
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Energy, Australia

Mr Donald L. Calvin  
Executive Vice President,  
The New York Stock Exchange

Mr Hiroshi Tanimura  
President, Tokyo Stock Exchange

Dr Urbano Aletti  
President, Federation Internationale des  
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Mr J.F. Kirk  
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Publicidad CNAS



# Indonesia's plans to make up oil refining shortfall

BY RICHARD COWPER IN JAKARTA

INDONESIA has the somewhat doubtful distinction of being not only the largest oil and gas exporting nation east of the Gulf but also one of the region's biggest oil importers. The country's antiquated refinery structure—one unit dates back to 1922—has been unable to keep pace with soaring domestic consumption of oil products which in the 1970s grew at an average rate of nearly 14 per cent.

At last, however, the Government has taken the bit between its teeth and embarked on plans at least to double refining capacity by 1985, from the current 400,000 barrels per day to 800,000 b/d. Contracts recently signed with Bechtel Corporation of the U.S. to build a 200,000 b/d extension to the refinery at Balikpapan in East Kalimantan and with Fluor, a subsidiary of the U.S. to build a similar 200,000 b/d extension in the Cilacap refinery in central Java should make Indonesia largely self-sufficient in refining by 1983. Together the two projects will cost Indonesia an estimated \$1.6bn.

The country's third largest refinery project, at Dumai in central Sumatra, now looks as if it may at last go ahead next year as the Government seems finally to have made up its mind to perform a U-turn and offer state-backed financial guaran-

REFINING CAPACITY		
Refinery	Crude capacity (b/d)*	% of total
Cilacap (Central Java)	100,000	19
Balikpapan (E. Kalimantan)	75,000	15
Dumai (Central Java)	100,000	15
S. Geron (Sumatra)	75,000	15
Plaju (S. Sumatra)	110,000	21
Wono Kromo (E. Java)	4,000	1
P. Brandan (N. Sumatra)	4,000	1
S. Pakning (Central Sumatra)	50,000	9
Cepu (E. Java)	4,000	1
Total	526,000	100

\* Because of the age of many of these refineries actual total capacity is a lot less, between 370,000 to 390,000 b/d.

Source: Pertamina

tees for the \$800m project.

The speed at which the refineries at Cilacap and Balikpapan have been initiated has largely been thanks to a surge in oil and gas revenues which brought Indonesia record earnings in 1979-80 of close on \$11bn. The two extensions will be managed by Pertamina, the State oil company, and financed through the Indonesian Government.

If most experts expressed surprise at the speed with which the Government has moved on Balikpapan and Cilacap the reverse has undoubtedly been true of the controversial expansion of the Dumai oil refinery in central Sumatra.

The on-off hydrocracker—badly needed to distil low sulphur waxy residue (LSWR) into middle distillate for the local market—had become almost a by-word for how to avoid building a project while giving the impression that the construction stage was just around the corner.

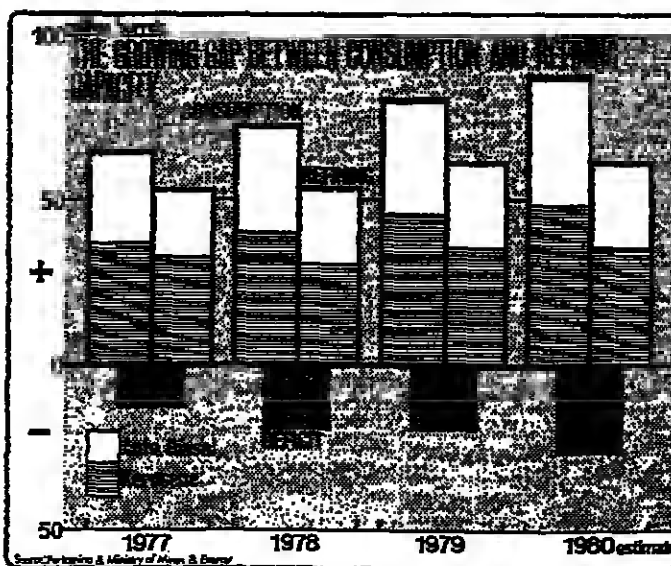
Conceived in the heady days of General Suharto's flamboyant leadership of Indonesia's State-owned oil company in the early 1970s, the project was shelved after Pertamina brought Indonesia almost to the brink of bankruptcy with debts of over \$10bn in 1975. The hydrocracker plan was revived again nearly three years ago,

but, despite persistent reports to the contrary over the last six months, it is now clear that both the financing and the ownership of the refinery have yet to be completely sorted out.

The key problem which has held the project up for so long has stemmed from the Government's refusal until now to provide official government guarantees for the financing. After the Pertamina crash, Indonesia's technocrats were understandably worried about the growing demand for debt servicing. Whenever possible they tried to get large scale projects built with the minimum of direct government financial involvement.

The result of this attempt to get Dumai built through so-called off-balance sheet financing was that the project ran into all kinds of financing difficulties. With output from the hydrocracker due to go to the domestic market, bankers were extremely wary of lending such large sums of money without official government guarantees. At the same time leading contractors were reluctant because they feared that with Government controlled domestic pricing the project might not be economically viable.

Thanks to the boom in oil prices, however, Indonesia's financial position is now almost the reverse of three years ago.



Indonesia's technocrats, their coffers full to overflowing with reserves of well over \$8bn, now appear to be ready to put an end to an experiment with off-balance sheet financing that has undoubtedly been more trouble than it has been worth. This change will certainly ease the financing for the project.

According to Indonesia's Minister for Mines and Energy, two Spanish construction companies, Technicas Reunidas and Centurion have been awarded the contract to engineer and build the 85,000 b/d hydrocracker with Voest Alpine of Austria assisting on much of the construction.

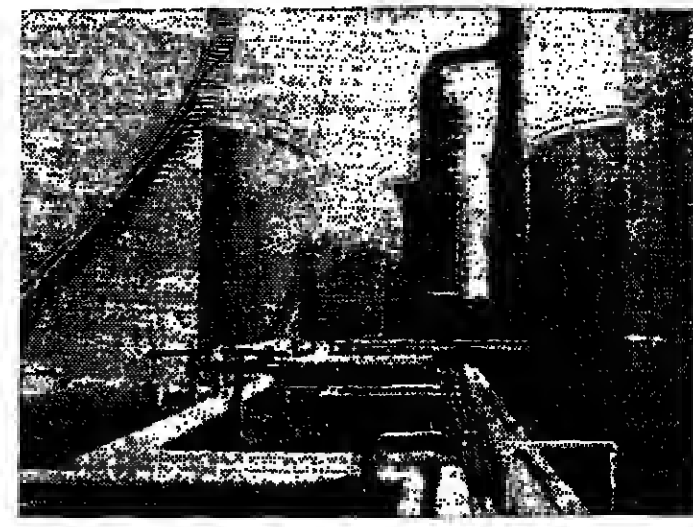
The Government is now in the process of revising the ownership and financing side of the package, and it seems likely that the project might go ahead next year with Pertamina—and therefore the Government—taking a controlling interest.

Even if construction starts in early 1981, for the next three

years at least Indonesia's cracking capacity (48,500 b/d) will be totally inadequate to deal with the residual fuel oil surplus.

The crux of the problem is the peculiar quality of some 70 per cent of Indonesian crude with its low sulphur, heavy fuel oil characteristics. Because most of the refineries date from an era when export of products, rather than crude, was the rule, they are situated at the producing fields, themselves, with neither intake nor location taking account of the domestic market. Only three—the existing refineries at Dumai (100,000 b/d), Plaju (110,000 b/d) and Cilacap (100,000 b/d)—can process even small amounts of non-Indonesian crudes. The rest produce an excess of low sulphur waxy residue (LSWR) from distillation of the mainly paraffinic, waxy local crudes.

There is little doubt that the decisions to go ahead with Cilacap and Balikpapan took some of the urgency off the Dumai



The Cilacap refinery in central Java: capacity to be trebled.

project, but even though the need to distil LSWR for the domestic market is now not so pressing officials at Pertamina are still keen to go ahead with the hydro-cracker.

No one doubts however that Indonesia needs to move fast on expanding its refining. Although the country has around 400,000 b/d in refining capacity the range of products it can make does not reflect existing consumption patterns which are heavily geared to diesel oil and kerosene.

Though the country was the world's tenth largest exporter of oil last year with exports of 41m barrels of crude and LSWR, the increasing cost of importing refined products and Middle East crude coupled with growing domestic demand (currently growing at over 10 per cent a year) have been seriously worrying the nation's economic planners.

Domestic consumption of petroleum products grew from

270,000 b/d in 1977 to 347,000 b/d last year and is projected to increase to around 600,000 b/d by 1985. Without the new refineries Indonesia's Minister for Mines and Energy, Professor Subroto, estimated that the country's refining capacity shortfall would widen to 59 per cent by 1985 from 46 per cent this year. The country's crude oil and product import bill makes disturbing reading. Last year it was \$2.4bn, but this year it is expected to jump 75 per cent in value to \$4.2bn.

These reasons alone were enough to persuade Pertamina that decisions on new refineries had to be finalised this year. That the Dumai affair looks as if it will not be resolved until the end of this year, or the early part of next, undoubtedly caused considerable dismay within the national oil company, though they must now be secretly happy that the Government has finally been forced to do it their way.

## APPOINTMENTS

### Pilkington safety glass director

Mr. John Calvert has been appointed a director of the Pilkington Safety Glass Division of PILKINGTON BROTHERS. He continues as personnel director of Triplex Safety Glass.

Mr. Royce Barker has been appointed managing director of RAND LONDON, a subsidiary in the Rand London Corporation group. He was previously sales manager, ferrochrome, of Johannesburg Consolidated Investment Company. Mr. Barker succeeds Mr. Colin White who has been transferred to the Rand London Corporation group's head office as project manager, commercial.

Mr. John Helstrip has joined CHARLES BARKER CBC as an associate director responsible for business development. He was previously with Creative Marketing Services.

Mr. AMEV, the Dutch insurance and financial group, has made the following Board changes in its UK companies: Mr. C. C. Neagerman (NY AMEV) has become chairman of AMEV Limited, the holding company for AMEV's insurance interests in the UK. The other directors are now Mr. B. C. Chetrell, Mr. K. W. Prescott, Mr. R. Ross (NY AMEV) and Lord Bismarck.

Mr. J. S. Lelington, chief executive of Gresham Life Assurance Society and Mr. P. M. L. Rosenburg (NY AMEV) have joined the Board of AMEV Life Insurance. Mr. B. R. L. Holmes, Mr. Prescott and Mr. G. Solomon have resigned. Mr. J. P. Archer continues as managing director.

Mr. R. J. Boyd has resigned as a director of G. T. JAPAN INVESTMENT TRUST.

Mr. Christopher J. Vickers has become senior partner of E. C. PIRIS AND PARTNERS. Mr. Pritchard, who was partner, is now a consultant, remaining actively involved in the business of the practice. Mr. Richard Clare has been admitted to the partnership. Mr. David Tillotson, who has been appointed an associate in the Sheffield office.

Mr. D. A. Bond has been appointed a director of CROFT GROUP. Mr. J. W. Borland has ceased to be a director.

Mr. C. T. Stewart has resigned from his directorship of BOND STREET FABRICS.

The council of the INTERNATIONAL CIVIL AVIATION ORGANIZATION has re-elected Mr. Assad Khatib as its president for a three-year term. First elected in November 1975, Dr. Khatib assumed office in August 1976 and was re-elected in 1977.

Mr. P. G. Eyles has been appointed a non-executive director of NORFOLK CAPITAL GROUP.

Mr. J. K. Lindsey-Renton has been appointed a director of BURT HUTTON HOLDINGS on his retirement from the executive employment of the group.

Mr. David Baumann has been appointed a director of sales and marketing Europe, at the new London office of PRINCESS HOTELS INTERNATIONAL. He was previously with Holiday Inns International.

Mr. M. S. P. Gardner has resigned as a director of JOHN FOSTER AND SON for other business interests.

Dr. Robert A. Fresch is to leave his post as administrator of the NATIONAL AERONAUTICS AND SPACE ADMINISTRATION of Washington, U.S., on January 20. He is to become the first president of the AMERICAN ASSOCIATION OF ENGINEERING SOCIETIES, a federation formed at the beginning of this year of major engineering societies in the U.S.

Mr. T. A. Busby has been appointed company secretary of COMPUTER AUTOMATION.

Mr. Carlos Marin has been elected as vice-president of the ASSOCIATION EUROPEENNE DE CONSTRUCTEURS DE MATERIEL AEROSPATIAL (AECMA).

Mr. Harold Clayton has been appointed technical director of BIP VINYL, the newly-formed unit company within Turner and Newall and which was previously the PVC division of British Industrial Plastics.

Mr. Eric Norris, a former High Commissioner in Kenya and Malaysia, has been elected chairman of the Central Council of the ROYAL COMMONWEALTH SOCIETY, succeeding Sir Michael Parsons, who has been chairman of the Council since 1976.

Major-General A. C. Birtwistle is to become Signal Officer in Chief (Army) Ministry of Defence in November 1980, in succession to the late Major-General A. C. Bate. From January 1981, Major-General P. A. Travers is to be General Officer Commanding South East District, in the rank of Lieutenant-General, in place of Lieutenant-General Sir George Cooper. Major-General J. M. Glover will be Deputy Chief of Defence Staff (Intelligence), in the rank of Lieutenant-General, in succession to Vice-Admiral Sir Roy Johnston to be Deputy Chief of the Defence Staff (Operational Requirements) Ministry of Defence, in the rank of Lieutenant-General, in succession to Vice-Admiral Sir Stephen Verboon. Brigadier J. H. B. Dent is to be Director General of Fighting Vehicles and Engineer Equipment, Ministry of Defence, in the rank of Major-General, succeeding Major-General J. B. Willis.

Radio Luxembourg has formed a company called RADIO-TELE-LUXEMBOURG (UK). Sir John Rodgers (chairman of Radio Luxembourg London) is chairman of the new concern and other members of the Board are Mr. Patrick Cox, Viscount De Lisle V.C., Mr. John Hawkesworth, Sir Keith Skinner and Mr. Anthony Weldon.

Following the appointment of Mr. I. R. Carmichael, as assistant general manager (administration) and secretary, SCOTTISH AMICABLE LIFE ASSURANCE SOCIETY has appointed Mr. A. M. Stevenson, as staff manager. Taking his place as deputy secretary is Mr. I. L. McMillan, who is at present the Society's premiums officer. These appointments are all from November 7.

Mr. Mike Cox, who joined BEAM COMMUNICATIONS earlier this year as account services director, has been appointed to the Board.

Appointed to the Board of ROBIN MARLAR & ASSOCIATES are Mr. Roger S. Mathews and Mr. Martin Gwinnar.

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Peace can be found in First Class on our jumbos in the form of 16 Qantas Sleeper Chairs—the ultimate long distance luxury.

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Book into Business Class on a Qantas jumbo and you'll find yourself ushered straight to the upstairs cabin.

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above the hubbub of the rest of the aircraft.

With your own steward to tend to your needs you will be offered a special menu, complimentary drinks, headsets and, of course, the latest film releases. And whilst

creating this room at the top, we've taken the opportunity to create some room at the sides. Our 16 passengers relax in an area that in any ordinary Business Class could be crammed with 36.

The seats, of a type to be found in the First Class compartments of other airlines, are

arranged in pairs so that you're never more than one step away from the aisle.

We've even equipped each seat with a special

side-mounted tray so that no one is disturbed while they're asleep.

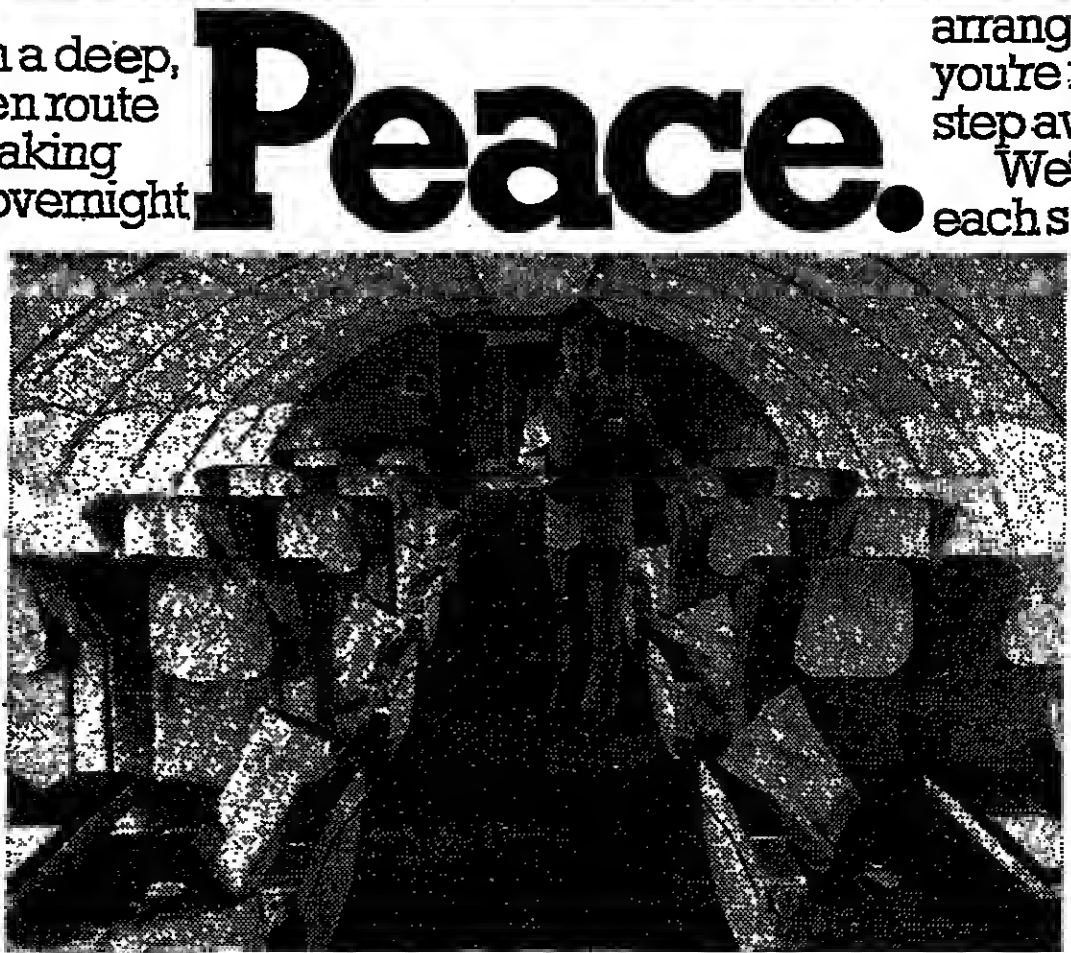
Qantas Business Class begins the moment you arrive at the airport where you'll find priority baggage handling and special check-in facilities waiting to smooth the way to your flight.

How to reserve your peace and quiet

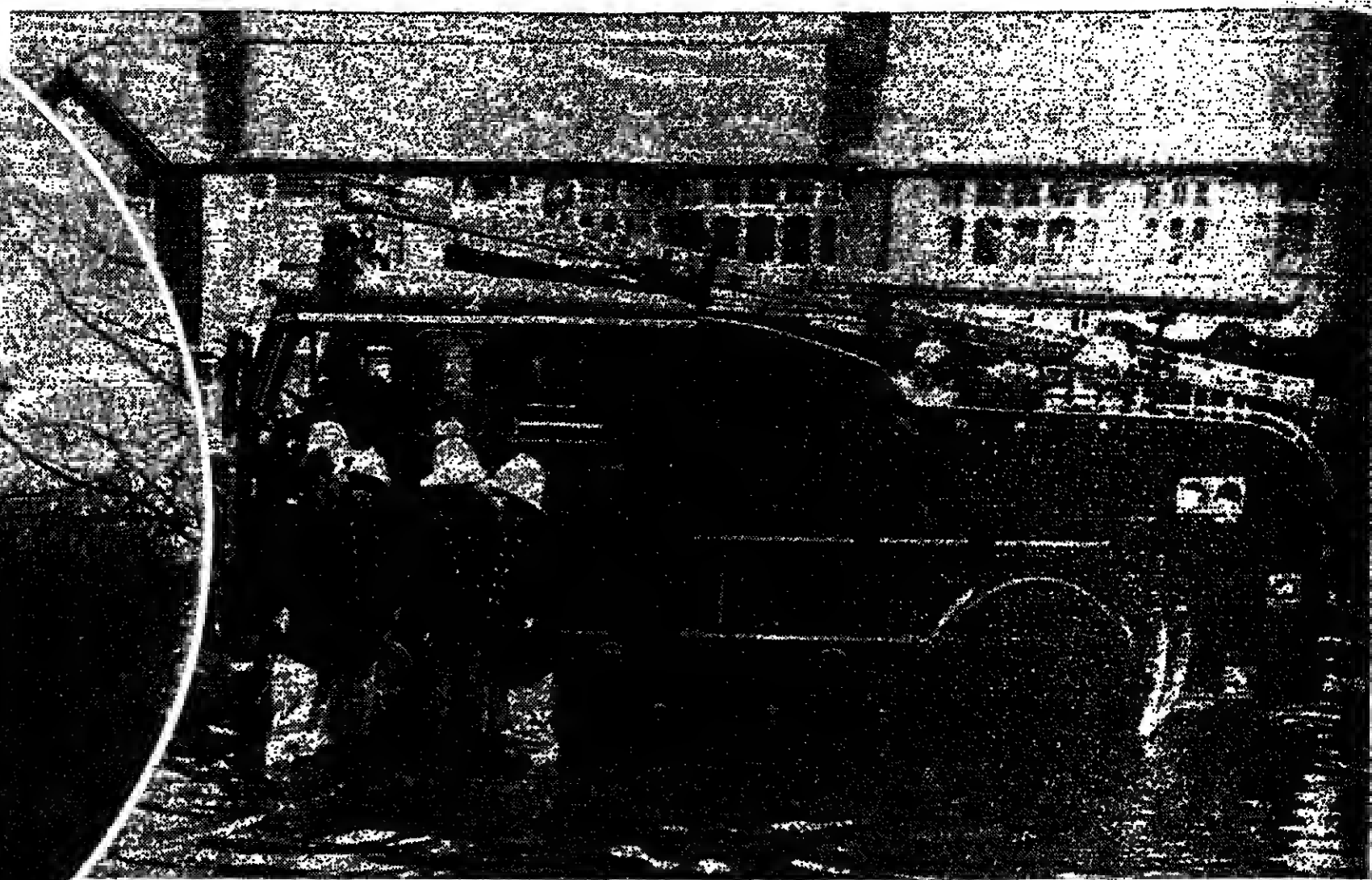
The Qantas Sleeper Chair and Business Class Cabin are available throughout our all-747

fleet from Europe to Australia.

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# While others were assessing the damage, we were paying for it.

On the morning of January 11th 1978, you might have been forgiven for mistaking the streets of Sheerness for Amsterdam or Venice.

After a night of near hurricane force winds and waves as high as houses, the East Kent coastline was, quite simply, blown to bits.

In the light of this thirty mile trail of devastation, it became clear to us at Commercial Union that there was only one way we could be of real help.

Not with tea and sympathy. Or vague promises of compensation.

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Now, it's not every day you'll find us popping in on policy holders, with a view to popping a cheque in the post.

After all, like any other insurance company, every claim we deal with involves certain formalities.

There are details to be noted down. Policies to be checked

out. Assessments to be made. And so on.

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Speaking for ourselves, we prefer to simplify the paperwork, for the sake of a speedy settlement.

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On January 12th, with the storm damage barely a day old, we set up an emergency claims centre in Canterbury.

Within two working days we had our own team of claims inspectors out and about on the waterways, personally totting up the cost of repairs.

In all, we paid out £115,000 from just one branch, to more than 400 policy holders.

So they could start rebuilding their lives, while others were still getting estimates.

**We won't make a drama out of a crisis.**

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ASSURANCE





## UK COMPANY NEWS

## Attock in profit at year-end

FOR THE year ended June 30, 1980, Attock Petroleum reports profits before tax of £22,000 compared with £24,000 loss last year. The first half had seen a recovery from losses of £123,000 to a £23,000 profit.

Again no dividend is being recommended as it is the board's view that dividends should be paid from oil and gas production profit and not from short-term investment receipts which may not recur in future years.

Adjusted earnings per share are 1.1p against a 1.7p loss in 1979-1980.

Sales of oil and gas — arising from the U.S. — amounted to £471,000 against £354,000. Net income from producing operations was £148,000 compared with £104,000.

In his annual statement, Mr. Tony de Doer, chairman, says he is sure that demand for oil and gas and opportunities for exploration will continue and he looks forward to reporting

further progress of the group over the next year.

The group, through its subsidiary North Sea Petroleum, has gained four licences for onshore exploration in the UK. Two of the licences cover some 180,000 acres in Berkshire, Buckinghamshire and Oxfordshire, and the other two are in Dorset, Wiltshire and Methil in Fife, Scotland.

Attock Petroleum (North Sea), another subsidiary, is a member of a consortium applying for licences in the Seventh Round.

The group intends to change its name to Anvil Petroleum. An extraordinary general meeting will be held to change the name, to increase the share capital and borrowing powers and to make minor amendments to the articles and employees' share option scheme.

The annual meeting will be held on November 24 at Quaglines, Bury Street, SW.

## Greencoat into loss

A PRE-TAX loss of £161,000 is reported by Greencoat Properties for the year to June 30, 1980. This compares with a profit of £880,000 in the previous year. Turnover, however, almost doubled from £2.55m to £5.09m.

At mid-year profits had dropped from £25,000 to £2,000.

Interest charges rose from £314,000 to £368,000, but there was no tax, against £129,000 last time.

The attributable loss is £161,000 against a profit of £880,000 in 1979.

Share of 0.51p (earnings 1.6p). Once again no dividend is being paid — the last payment was 0.13p net in 1975.

## ELLIS &amp; EVERARD

Capital Leasing, the specialist swimming pool service division

within the Ellis and Everard Group, is to close at the end of this year due to poor trading results.

Operations of Capital Leasing, which has five branches, have failed to meet forecast expectations. About 27 staff will be affected by the closure, but efforts are being made to find buyers for Capital's assets and goodwill.

Capital Leasing's turnover in the current financial year is running at approximately 2 per cent of group turnover.

Swimming pool operations at Exeter and Newquay are unaffected by the closure decision, and water treatment chemicals will continue to be stocked and distributed by the merchanting division's 18 UK branches.

## BOARD MEETINGS

The following companies have notified dates of Board meetings to the Stock Exchange. Such meetings are usually held for the purpose of considering dividends. Official indications are not available as to whether dividends are interim or final and the sub-divisions shown below are based mainly on last year's results.

## TODAY

Interim—Estate Outlets Investment Trust, Francis Industries, London Brick, Mothercare, USM.

Final—Brooks Bond Liebig, Opcile, Sista, Medminster, Newman-Tonks, Peterman Zachman, Peachey Property.

## FUTURE DATES

Interim—Ambrose Investment Trust, Central and Sharnwood, Grempan Television, H.A.T., Norwich Investment Trust, Reed International, Tazari Kameley and Millbourn, Weeks Associates.

Final—Arenson (A.), British Assets Trust, Haworth (J.), Highland Electronics, Low (Wm.), North Atlantic Securities, Priorite Portland Cement.

## INVESTMENT TRUSTS

## London Scottish Finance

With finance costs jumping 45 per cent to £1.06m, pre-tax profits of London Scottish Finance Corporation have fallen 7 per cent below last year's record level to £229,010 in the 52 weeks to July 29, 1980. Turnover rose from £5.86m to £6.97m.

After tax down from £252,289 to £243,525, stated earnings per

10p share are 5.8p (6.1p) undiluted, and the final dividend is effectively raised from 1.305p to 1.5p net for a total of 2.025p (adjusted 1.7625p). Dividends absorb £214,338 (£184,754).

There were extraordinary items of £3,599 compared with £11,293, leaving retained profits lower at £380,746 against £387,487.

## Scottish Northern ahead

For the half year ended September 30, 1980, revenue of Scottish Northern Investment Trust came out ahead from £340,437 to £359,706 after a tax charge of £462,481 compared with £365,111 last time.

Earnings per 25p share are shown as 1.78p against 1.56p, as already announced the interim dividend is unchanged at 1.2p net—last year's final payment was 1.94p and net revenue totalled £1.69m.

## Lowland revenue increase

Gross income of Lowland Investment Co. amounted to £331,398 for the year ended September 30, 1980, against £324,447, and after interest, management expenses and tax, the revenue available emerged ahead from £258,532 to £343,718.

And the dividend is stepped up to 3.75p (3.2p) net per 35p share, with a final payment of 2.15p, which will absorb £293,560 (£250,305). Earnings per share are shown as 4.39p against 3.18p.

## Bishopsgate Trust higher

Pre-tax revenue of Bishopsgate Trust, investment trust, rose from £572,000 to £699,000 in the six months to September 30, 1980. Gross income was £326,000 compared with £749,000.

£190,000) which would leave net revenue up from £229,000 to £215p. The interim dividend is raised from 2.5p to 3.5p—last year's total was 9.9p (which included a special non-recurring payment of 1.4p) from pre-tax revenue of £1.28m.

## EUROPEAN OPTIONS EXCHANGE

Series	Vol.	Dec. Last	Vol.	Mar. Last	Vol.	June Last	Stock
CM C	550	25	31	10	11	—	£50.4
CM C	560	—	—	—	—	—	—
Series	Vol.	Jan. Last	Vol.	April Last	Vol.	July Last	Stock
ABN C	F.300	2	12	—	—	—	F.304
ABN C	F.300	9	5	—	—	—	—
AKZO C	F.20	59	120	65	160	10	F.20
AKZO C	F.22.50	10	0.50	61	0.70	30	0.80
AKZO C	F.20	15	1.50	2	1.90	—	—
AKZO C	F.20	14	3	2	3	—	—
AKZO C	F.22.50	14	3	2	3	—	—
AMRO C	F.60	4	5	10	3.20	—	F.64.30
AMRO C	F.60	4	5	10	3.20	—	—
HEIN C	F.50	11	5	12	7	—	F.53
HEIN C	F.50	31	8.80	10	3.30	—	—
HEIN C	F.50	—	—	10	2.10	—	—
HEIN C	F.50	6	1.80	—	—	—	—
HEIN C	F.55	—	—	2	4.30	—	—
HOOG C	F.15	30	0.30	35	1.10	—	F.13.80
IBM C	F.70	5	3	—	—	—	F.58.80
IBM C	F.70	5	3	—	—	—	—
KLM C	F.60	81	5.50	—	—	—	—
KLM C	F.60	81	5.50	—	—	—	—
KLM C	F.70	82	0.80	—	—	—	—
KLM C	F.55	28	2.60	4	—	—	—
KLM C	F.60	24	2.60	—	—	—	—
KLM C	F.70	17	12.50	—	—	—	—
NATN C	F.120	5	2.60	17	3.50	—	F.118
NATN C	F.110	83	0.80	—	—	—	—
NATN C	F.120	23	4.80	—	—	—	—
PETR C	F.5500	—	—	—	—	5.10	F.5240
PNIL C	F.18	81	0.80	132	2.50	82	F.16.80
PNIL C	F.17.50	59	0.20	83	0.80	20	0.80
PNIL C	F.80	55	0.20	83	0.80	20	0.80
POLA C	F.180	7	38.70	—	—	—	F.187.50
OLIE C	F.170	30	89	—	89.8	—	—
OLIE C	F.180	194	10.20	318	88.30	—	—
OLIE C	F.180	394	15.408	81	13.80	—	—
OLIE C	F.200	879	7.50	815	9.50	105	11.08
OLIE C	F.160	24	0.80	—	—	—	—
OLIE C	F.170	49	0.80	—	—	—	—
OLIE C	F.180	170	0.90	147	2.50	—	—
OLIE C	F.180	447	7.30	21	5	—	—
OLIE C	F.200	69	6.80	5	9.50	21	13 A
ATF C	F.80	4	8.5	1	31	—	£50.3
UNIL C	F.180	6	68	—	—	—	F.125.20
UNIL C	F.130	10	0.80	—	—	—	—
UNIL C	F.180	6	1.508	—	—	—	—
XERO C	F.80	5	8	—	—	—	£66.5
XERO C	F.70	1	3	—	—	—	—
Series	Vol.	Nov.	Dec.	Jan.	Feb.	Mar.	May
BOEI C	F.40	—	—	24	31	—	£38
BOEI C	F.40	—	—	1	4	—	—
OCCL C	F.35	—	—	10	81	—	£31.7
SLIM C	F.110	—	—	1	10	—	£110
SLY C	F.88	—	—	5	25	—	—
SLY C	F.100	3	10.4	1	14	—	—
TOTAL VOLUME IN CONTRACTS							5228
							G=Call P=Put

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Name

Company (if applicable)

Address

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Published notification of rate of interest

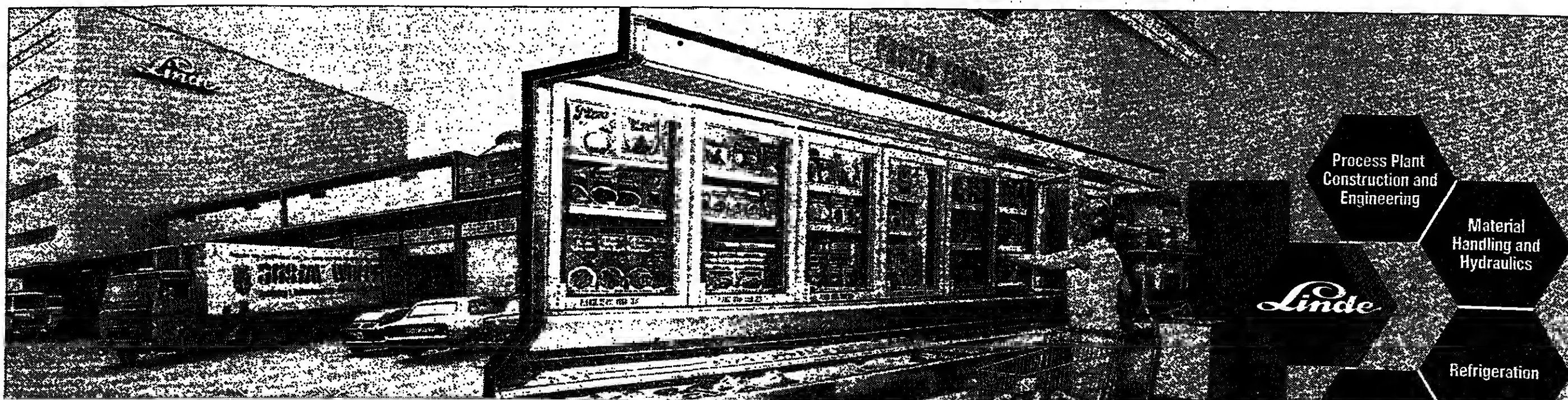
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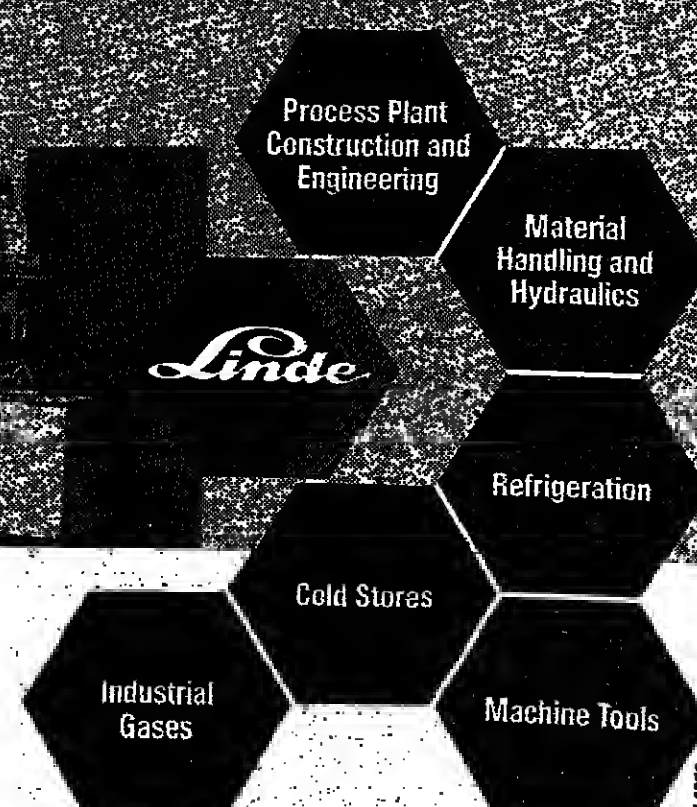


## Refrigerator warms warehouse

Waste heat from a refrigerator plant at the South Suburban Co-operative Society's Ewell Store is providing free heating for the store's adjacent warehouse. Normally this heat is thrown away to the atmosphere. Potential savings with this system in the many thousands of supermarkets throughout the UK are clearly huge. Hot air from the refrigerator condensers is transferred to the warehouse via centrifugal fans and a short ducting system. Motorised dampers control the flow to the warehouse, the intake of fresh air, and, as necessary between seasons and in summer, the passing of hot air directly to the environment. Control of the

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J. P. STEVENS

# Organised labour marches south

BY IAN HARGREAVES IN NEW YORK

"THE SUCCESSFUL conclusion of the most protracted labour dispute in U.S. history."

"A major victory for all the working people of America."

"It feels real good."

"These were some of the many reactions from union leaders and shopfloor workers on Sunday night to the news that after 17 years, the Amalgamated Clothing and Textile Workers Union (ACTWU) had finally got more than a foot in the door at J. P. Stevens, the second largest U.S. textile company."

The two sides agreed, at the end of a campaign which has involved boycotts, occasional violence and endless litigation, that the 10 per cent of Stevens' workers who have already voted for the union will be granted normal bargaining rights and that in future, if the union can win plant ballots, other workers will not be prevented from following suit.

**Cause celebre**

It has been, for the past decade, the cause celebre of U.S. labour, both in terms of the tactics the unions have used to press their claims and the significance which Stevens is held to possess for the still inferior union movement in the southern states of the U.S.

Only one in 10 textile workers belong to unions and, the unions believe, it has been this industry, with its traditions of low pay and southern location, which has undermined the strength of the U.S. labour movement as a whole as industry has drifted south in the past 10 years.

The domino theory that if Stevens falls others follow has come to be accepted wisdom among labour leaders and to some extent, among industrialists in the south, some of whom have been more than content to see Stevens take the union flag and hold the line against the unions.

This is perhaps especially true of the large number of foreign companies, notably the Japanese, which have flocked to the south in recent years.

When, then, will the dominoes start to fall? The answer is that there must be serious doubt about whether the theory applies in North Carolina any more than it did in South Vietnam.

The best starting point for assessing the question is with J. P. Stevens himself and the question of why the company has, after 17 years of resistance, caved in.

There is no doubt that the unions' campaign, although still belittled by company officials, was effective. For the last four years, the unions are estimated to have spent \$10m on a campaign, led by the AFL-CIO trade union federation, to boycott Stevens' products, to persuade other companies to remove Stevens executives from their boards (Manufacturers Hanover Trust, one of New York's largest banks, was one which obliged) and to raise an unprecedented wall of protest from labour, social and religious organisations against the company's behaviour. The public relations was fervent, sustained and well-handled, involving even the inspiration of an Oscar winning film, Norma Rae, about a union battle for a southern textile plant.

But the unity of the campaign was only possible because of the union's finely executed legal strategy, which involved enmeshing the company in litigation stemming from more than 20 anti-Stevens rulings by the Government's National Labour Relations Board. By 1976, the union was able to argue that

Stevens was not simply anti-union, it was anti-law, as the company avoided complying with court orders.

The sandbag strategy of Stevens was the work of Mr. James Finley, an uncompromising Georgian and one of the few non-members of the Stevens family to be the company's chairman.

His premature replacement in January of this year by Mr. Whitney Stevens, great-grandson of the man who founded the first Stevens woolens mill in Massachusetts in 1813, was the first clear signal that the company's approach would change.

**Anti-union zeal**

Mr. Stevens, an urbane, relaxed individual able to joke with reporters on Sunday that he had not seen Norma Rae because he was afraid of being recognised in the cinema, proclaims himself to be equally possessed of the company's anti-union zeal. But he has calculated that sandbags and sackings are not the way to win anything in 1980.

He said on Sunday: "The company continues to be openly and strongly opposed to unions in its non-union plants." That means more than 70 plants and 30,000 workers—90 per cent of Stevens' hourly paid workforce.

Mr. Stevens has, he believes, reason for confidence that now the company is to play by the rules in fighting the union, it will go on winning, but without the stigma of past years. The union, which has only ever won a handful of elections at Stevens, hopes that relief from the threat of intimidation will bring the workers into its ranks.

However, Stevens hopes that by continuing to pay almost \$1 an hour more than the textile industry average (\$5.54 is the

Stevens average) it will hold its ground.

But when it comes to the rest of the country, or indeed the south, there is no sign anywhere that the U.S. labour movement is within sight of reversing the trends of a decade of decline. In 1974, according to the Bureau of Labour statistics, 28.9 per cent of U.S. non-agricultural workers belonged to unions or employees' associations. In 1978, the last year for which official figures are available, it was 26.2 per cent and today most estimates put the ratio at 24 per cent. Polls also show that the number who approve of unions has slipped steadily from 72 per cent in 1938 to 55 per cent.

Most of these losses have been in the north, while in the south the ratios have wavered between the low level of around 10 per cent in North Carolina and 24 per cent in Alabama. Most of any growth there has been stems from effective work by strong unions such as the United Autoworkers in three Ford and General Motors plants, which have allowed them into their new southern plants.

The main reason for this, apart from the more-difficult-to-determine question of whether southerners are not simply anti-union, is that 20 states have, since the 1950s, enacted right-to-work laws, which outlaw the union closed shop.

In spite of major political efforts, the unions have not succeeded in reversing these laws in any state. They now accept that the only chance of repeal is if right-to-work laws are outlawed by Congress.

So, the fall of Stevens may not prove to be the blast that shook the walls of Jericho. But at least it is a victory, and the U.S. labour movement can use a victory.

## Toyota Motor to prepare Seat report

By Robert Graham in Madrid

A DELEGATION from Toyota Motor Corporation has wound up a 10-day inspection of Seat's Spanish operation with a view to eventual takeover. Toyota is expected to prepare a detailed report on Seat, which will be completed within a month, according to Sr. Jose Miguel de la Rica, president of the State holding company, INI.

Briefing journalists on INI's activities, Sr. de la Rica said that it was unlikely there would be any major developments before six months. However, he expressed confidence that a deal could be arranged, adding that a solution to Seat's future was complex and that the Japanese moved slowly.

Although the main "conversations" on a takeover of Seat, in which INI currently holds 56 per cent, were with Toyota there were also contacts with other multinationals. But Sr. de la Rica declined to mention names. Renault and Volkswagen are among the companies believed to have shown an interest in INI.

INI has been obliged to find a new international partner after the Fiat decision not to take control of Seat last May.

**Rescue for Italian bank**

By Our Rome Correspondent

ISTITUTO BANCARIO San Paolo di Torino, one of Italy's biggest public sector banks, has stepped in to take effective control of an important private credit institute operating in Naples and the south, now facing bankruptcy and collapse.

After a detailed inspection earlier this year by the Bank of Italy, the Banca Fabbrocini was placed in "administrative liquidation" by the Italian monetary authorities, and Istituto San Paolo was requested to take over the outstanding responsibilities of the bank.

As a result the Turin-based bank has set up new branches to match the 17 of Banca Fabbrocini which have been closed and thus protected the funds deposited at the bank. Under Italian law no bank is permitted totally to default.

## Sales advance at Montedison

BY RUPERT CORNWELL IN MILAN

MONTEDISON, Italy's biggest chemical group, last night reported a 19 per cent rise in group turnover during the first nine months of this year to L.537bn (St.5bn).

The outcome, which is before deduction of intra-company transactions, is in line with estimates made at the start of 1980. These foresaw a turnover of L.537bn for 1980 as a whole.

The group still expects that its second half results will be worse than those of the first six months when Montedison's operating accounts were in balance after a string of losses since the mid-1970s. But cautious encouragement is

being drawn from September's improved turnover of L.731bn.

Although technical factors, notably stock-rebuilding by Montedison customers, were largely responsible for the increase, it represents an upturn from July and August. Then, a sharp deterioration suggested that the chemical industry might experience a particularly severe recession for the remainder of 1980.

September's growth also occurred despite strikes, which hit operations of Montedison plants near Venice, and Brindisi, in southern Italy. The sectors which performed best were pharmaceuticals and fertilisers, according to the

company.

Meanwhile, administrative delays are again casting a shadow over the L.200bn (\$225m) capital reconstruction operation designed to bring Montedison, the group's heavily loss-making synthetic fibres division, back to health.

The success of this project, which has to be finally ratified by the end of 1980, is crucial to efforts to restore the overall fortunes of Montedison itself. C.I.P.I., the Government's industrial policy committee, gave its blessing last July but it is understood that certain member banks in the rescue consortium have still been unable to give their own go-ahead.

## Borregaard improves earnings

BY FAY GJESTER IN OSLO

BORREGAARD, the Norwegian industrial group with interests in wood processing, chemicals, metals and foodstuffs, reports pre-tax profits of Nkr 91.4m (\$18.7m) for the first eight months of 1980, an increase of Nkr 21.8m on the same period a year earlier.

Group sales totalled Nkr 2.06bn, 7 per cent higher than the comparable figure for a year earlier, excluding sales by the Austrian mills, which Borregaard sold last year.

The company says the improved results mainly reflect lower financial costs, coupled with increased profits in the chemicals sector. It foresees a result for the last four months of the year "poorer" than in the

May to August period, because prospects for exports have deteriorated after "a significant negative change in the international business climate" since January.

At the same time, although demand on the Norwegian coal market continues to be high, "stringent price control" allows only partial compensation for increased costs. The report expressed concern at rising cost levels in Norway, and says this is attributable, "to a considerable extent," to increases in wages after the end of the wage freeze.

Normec, the cement and building materials group which has some offshore interests, reports a deficit of Nkr 41m for

the first eight months of this year, compared with a profit of Nkr 9m. Both figures are net of depreciation and interest. Total turnover rose by 7 per cent to about Nkr 1.7m, though the offshore division—one bright spot—increased turnover by 40 per cent.

Normec blames the poor result on the Government's price regulation policies, which have prevented it from offsetting higher cement production costs by corresponding price increases. It claims that the future of the cement industry in Norway is at stake and that unless the present system is promptly reformed, Norwegian cement plants will have to shut down.

## Cost cuts give boost to Euroc

BY WESTERLY CHRISTNER IN STOCKHOLM

EUROC, THE Swedish building materials and industrial group, reports a sharp jump in pre-tax profits of SKr 85m from SKr 11m. The increase was achieved in spite of this spring's domestic labour disruptions, and is attributed largely to cost cutting.

Sales reached SKr 2.3bn (\$554m) from SKr 2bn. For 1979

they totalled SKr 3.3bn. An especially strong second four-month period was recorded this year.

For 1980 as a whole, pre-tax profit is expected to be "clearly better" than last year's SKr 70m, although no exact figure for this year's sales or earnings is provided.

Contributing to the improved profit is extraordinary income arising from the sale of shares

in a Swedish power company. An earnings improvement was noted for most group divisions, including cement. During the eight months, Cementa's "positive" profit development resulted largely from "lower production costs." However, a deterioration in earnings was reported for the Dynapac division, which produces construction equipment machinery.

## Paribas takes control of car components group

BY TERRY DOODSWORTH IN PARIS

PARIBAS, the French banking and industrial investment concern, has taken a majority stake in Groupe Neiman, a diversified car components company which specialises in anti-theft devices.

Paribas says its participation in the company will give Neiman further facilities for expansion, both geographically and in other spheres in which its technology could be developed.

Some 80 per cent of the group's activity is in the anti-theft field, including its anti-theft devices, horns, wipers, wiper parts and rear lights. The rest of its business is in industrial locks and warning devices.

Neiman is expected to achieve a turnover of FFfr 800m (\$190m) this year, of which almost half will be overseas.

● The high growth rate of Legrand, the French electrical company, was maintained in the first half of this year with a 24.4 per cent rise in net profits to FFfr 74.9m (\$17.8m), from FFfr 60.2m.

These consolidated figures include sales of several affiliates: Arnould FAE SUTL, Lampyre, Elma, and Fomes—for the first time. On a strictly comparable basis, profits would have been up by 20.9 per cent.

The impact of taking on the financial problems of Arnould, a former fittings subsidiary of Compagnie Générale d'Electricité, the electrical group, is shown in the difference between the 24 per cent rise in net profits and the 47 per cent rise in turnover.

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22nd SEPTEMBER, 1980.

New Issue

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October 1980

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October, 1980



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Companies and Markets

## INTERNATIONAL COMPANIES and FINANCE

## JAPANESE DEPARTMENT STORES

## INTERIM RESULTS

## Sales up despite the cool summer

BY YOKO SHIBATA IN TOKYO

INTERIM RESULTS of Japan's five major department store operators have swept away earlier worries of a sales slowdown under the impact of the cool summer weather and inflation—turnover having been boosted by discount selling, space expansion, and a tendency among customers towards higher quality merchandise.

Performances differed among companies for the period to August 31. Some operators (Mitsukoshi, Takashimaya, and Matsuzakaya) increased sales but suffered lower gross profit margins while others (Daimaru and Sogo) reported only single figure growth in sales but chalked up double figure operating profits.

Mitsukoshi returned to double figure growth in sales for the first time in seven years as a result of strong sales of quality items with high profit margins, such as household goods.

Daimaru's interim operating

profits reached ¥5bn (\$34m) for the first time, on the back of good earnings at all 10 branches and strengthened sales of own-brand products. For the full fiscal year to February 1981, Daimaru has revised downwards its initial target of sales, operating profits and net profits by ¥7bn, ¥100m and ¥100m respectively.

Daimaru placed major stress on sales of higher priced products and achieved the largest gain in operating profits on the lowest turnover. The company

## Six months to August 31

	Sales ¥bn	Change on year %	Operating profits ¥bn	Change on year %	Net profits ¥bn	Change on year %	Gross margin %	Change %
Mitsukoshi	257.07	+11.2	9.21	+8.9	5.01	+14.6	24.93	-0.58
Daimaru	201.58	+3.4	5.00	+22.9	2.69	+4.6	23.27	+0.74
Takashimaya	196.60	+11.4	5.09	+7.6	2.32	+3.9	24.02	-0.09
Matsuzakaya	154.01	+10.9	3.17	-5.5	1.86	+105.5	23.42	+0.07
Sogo	85.59	+9.1	2.24	+20.4	1.29	+14.0	21.89	+0.06

improved its gross profit margin on total sales by 0.74 per cent, in sharp contrast to other stores owners with lowered margins.

Takashimaya, also achieved double-figure growth in sales (for the first time in five years) and topped its initial target by ¥8.6bn. Better than expected sales resulted from expanded space at the Osaka main store, coupled with discount sales to mark the company's 150th anniversary. The company has revised upwards its targets for

sales, operating profits and net profits to ¥41bn (up ¥10bn), ¥10.5bn (up ¥200m) and ¥4.8bn (up ¥100m), respectively, for the full fiscal year.

Matsuzakaya reported a far better sales and earning performance than expected. For the full year, the company has lifted its targets by ¥5bn to ¥32.5bn for sales; by ¥1.4bn to ¥3.8bn for operating profits; and by ¥1.5bn to ¥4.15bn for net profits. The company increased its borrowing by ¥300bn for the opening of the

Takatsuki branch and the resulting higher interest payments accounted for the 5.5 per cent setback in operating profits.

Sogo improved its gross profit margin by 0.1 per cent with a good showing of sales of higher priced products. For the current half year, ending February, consumer spending as a whole is expected to weaken and the utility price rises will have a greater effect than in the first half.

However, the financial burden is expected to be reduced by the prospective reduction in the official discount rate. Mitsukoshi expects a large contribution from its newly opened Kurashiki branch, but the other four companies foresee single figure sales growth in the current half. On the grounds of the consumer tendency toward higher priced products, the department stores plan to emphasise their differences with supermarket stores.

## Overseas Trust Bank floats off a subsidiary

BY OUR HONG KONG CORRESPONDENT

OVERSEAS TRUST BANK (OTB), one of Hong Kong's larger Chinese banks, has announced that one of its subsidiaries, Hong Kong Industrial and Commercial Bank (HICB), is to go public, with a HK\$108.5m (US\$21.7m) share issue. The 31m shares involved will be sold at HK\$3.50 each. The issue is made up of 13.66m new shares and an offer for sale of 17.33m existing shares, currently held by OTB, which will have 58.78 per cent of the enlarged capital after the issue. Applications will be open from November 7 to November 17.

The HK\$45.76m proceeds from the new shares to be issued will be used for the expansion of HICB, which began operation in 1965 and currently has 17 branches in Hong Kong, in addition to operating a deposit-taking company, HICB Finance, and a nominee holding company, HICB Nominee.

The bank offers a full range of banking services and has established correspondent relationships with banks in Asia, North America, and Europe. HICB turned in a profit last year of HK\$19.8m (US\$3.96m) after transfers to loan reserves, and the board has forecast profits for the year to June 30, 1981 of HK\$26m and a dividend of 15 cents a share. This will give the new shares a price-earnings multiple on the forecast profits of 10.4 and a dividend yield of 4.29 per cent. The bank's assets on hand at HK\$1.32bn (US\$264m) and the net asset value on June 30, was calculated at HK\$3.51 a share.

The offer is jointly under-

written by Sun Hung Kai Securities, which operates Hong Kong's largest brokerage house, and Sun Huog Kai Finance which last year was split off from Sun Hung Kai Securities.

## Advance for General Tire South Africa

By Jim Jones in Johannesburg

GENERAL TIRE and Rubber Company (South Africa), the rubber manufacturer from which the U.S. parent, General Tire, disinvested last year, has reported a 33.1 per cent rise in interim pre-tax profits to R7.83m (\$10.4m) for the six months to August 31. This compares with R5.89m for the corresponding period last year and R14.59m for the 14 months to end-February, 1980. First-half turnover was R81.2m (\$81.6m) against R41.6m in the corresponding six months last year and R105.5m for the last 14 month period.

Growth was uneven, the board says, with the tyre division, reflecting increased activity in the South African motor industry, progressing satisfactorily, while the replacement market was inhibited by low-cost imports.

An interim dividend of 25 cents has been declared from first-half earnings per share of 148.2 cents. In the 14 months to end-February a 50 cents total dividend was paid from earnings per share of 285.5 cents.

## First Malaysia prime rate rise in two years

By Wong Sulong in Kuala Lumpur

MALAYSIA'S two largest banks—Malayan Banking Berhad and Bank Bumiputra—raised their prime lending rates by 1 per cent to 8.5 per cent a year over the weekend.

The move is likely to be followed quickly by other banks, and is described by bankers as "long overdue," considering that the previous prime lending rate had been unchanged for nearly two years and was one of the lowest in the world.

Foreign banks, in particular, have complained that they had been losing money by paying higher rates for their deposits while maintaining the 7.5 per cent prime rate set by the central bank.

## NOTICE OF PURCHASES

To the Holders of

Mo och Domsjö Aktiebolag MoDo

9% Bonds Due 1986

NOTICE IS HEREBY GIVEN that, pursuant to the provisions of the Bonds of the above described issue, an aggregate principal amount of \$1,200,000 was purchased in the market during the twelve month period ending October 15, 1980, and such Bonds have been surrendered to Morgan Guaranty Trust Company of New York, as Trustee. The principal amount remaining outstanding is \$28,000,000.

Mo och Domsjö Aktiebolag

## Mitsubishi Electric sees profit slowdown

TOKYO—Mitsubishi Electric Corporation, the Japanese electrical machinery concern believes its profits before tax and special items in the first half to September, to have fallen to about ¥22bn (\$105m) from ¥23.06bn a year earlier, in view of its poor sales of air conditioners.

The estimated figure is down about 14 per cent from that for the preceding six months. This means that the first half-year decline in five years is in

prospect. The company is expected to report its business results for the half early next week.

Mitsubishi said sales of air conditioners fell by about 30 per cent in the first half, more than offsetting increased sales of colour television sets, video tape recorders and semi-conductors.

Orders received in the half totalled about ¥660bn, against ¥573bn a year earlier.

Sales in the period are thought to have reached a total of about ¥580bn, compared with ¥514.95bn.

Securities houses have said that Mitsubishi Electric will pay a special dividend of ¥1 to ¥1.5 a share for the current year, ending March, in commemoration of the sixtieth anniversary of its foundation. The company last year paid a ¥6 Ordinary dividend.

Reuter

All these Notes have been sold. This announcement appears as a matter of record only.



## The Australian Industry Development Corporation

(A Statutory Corporation the capital of which is wholly owned by the Commonwealth of Australia)

A\$30,000,000

12¼ per cent. Notes 1985

Issue Price 99½ per cent.  
(payable in US dollars)

Interest payable annually on 15th October

Hambros Bank Limited

Bank Gutzwiller, Kurz, Bungenier (Overseas) Limited

Banque Bruxelles Lambert S.A.

Banque Nationale de Paris

Citicorp International Group

Nomura Europe N.V.

Salomon Brothers International

Wardley Limited

Alahli Bank of Kuwait K.S.C.

Algemeine Bank Nederland N.V.

Banca del Gottardo

Bank Leu International

Bank Mees &amp; Hope NV

Banque Populaire Suisse S.A. Luxembourg

Banque Worms

Barings Brothers &amp; Co., Limited

Chase Manhattan Limited

Chemical Bank International Group

Christiania Bank og Kreditkasse

Compagnie de Banque et d'Investissements (Underwriters) S.A.

County Bank Limited

Gindlays Asia Limited

Hambros Australia Limited

Hambros Pacific Limited

Kleinwort, Benson Limited

Kuwait International Investment Co. s.a.k.

LTCB International Limited

Manufacturers Hanover Limited

Mitsui Finance Europe Limited

Morgan Guaranty Ltd

The Nikko Securities Co., (Europe) Ltd.

Nordic Bank Limited

Ord Minaret

Piereson, Halding &amp; Piereson N.V.

N. M. Rothschild &amp; Sons Limited

Skandinaviska Enskilda Banken

Société Ségnaise de Banque

Strauss, Turnbull &amp; Co.

Verderer und Westbank Aktiengesellschaft

Wood Gundy Limited

October, 1980

U.S. \$20,000,000

The Industrial Bank of Japan, Limited London



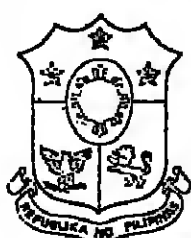
Floating Rate London-Dollar Negotiable  
Certificates of Deposit due 21st April, 1983

In accordance with the provisions of the Certificates, notice is hereby given that for the six month Interest Period from 21st October, 1980 to 21st April, 1981, the Certificates will carry an Interest Rate of 13½ per annum. The relevant Interest Payment Date will be 21st April, 1981.

Credit Suisse First Boston Limited  
Agent Bank

US \$100,000,000

Republic of the Philippines



Floating Rate Notes Due 1986

In accordance with the provisions of the Notes, notice is hereby given that for the six month Interest Period from 20th October, 1980 to 21st April, 1981, the Notes will carry an Interest Rate of 13½ per annum and the Coupon Amount per US \$5,000 will be US \$338.36

Credit Suisse First Boston Limited  
Agent Bank

All these Securities have been placed. This announcement appears as a matter of record only.

U.S. \$50,000,000

The Industrial Bank of Japan Finance Company N.V.

Guaranteed Floating Rate Notes Due 1988

Payment of principal and interest unconditionally guaranteed by

The Industrial Bank of Japan, Limited  
(Kabushiki Kaisha Nippon Kogyo Ginko)

These Notes have been placed privately  
by the undersigned.

IBJ INTERNATIONAL Limited

MORGAN STANLEY INTERNATIONAL

BANK OF CHINA

CHASE MANHATTAN Limited

CITICORP INTERNATIONAL GROUP

CREDIT SUISSE FIRST BOSTON Limited

DEUTSCHE BANK Aktiengesellschaft

DILLON, READ OVERSEAS CORPORATION

SAMUEL MONTAGU &amp; CO. Limited

J. HENRY SCHRODER WAGG &amp; CO. Limited

SOCIETE GENERALE

S.G. WARBURG &amp; CO. LTD.

October 9, 1980



## Companies and Markets

## £ &amp; \$ firm

STERLING and the U.S. dollar were both very firm in currency markets yesterday. The pound maintained its recent importance, underpinned by North Sea oil and high interest rates, and reached a new five and a half year high on a trade-weighted basis. Its Bank of England index closed at 77.8 compared with 77.2 on Friday. Against the dollar it opened at \$2.4100, \$2.4110 and touched \$2.42 around mid-afternoon. Strong demand for the pound in U.S. centres pushed it to a closing level of \$2.4295-2.4305, its highest since May 1974. Sterling was particularly firm against European currencies, touching a new four year high against the D-mark at DM 4.5325 against DM 4.4925 on Friday, and closing at FF 10.4350 from FF 10.2725 against the French franc, its best level since December 1974.

The current weakness of the dollar has much to do with both sterling and the U.S. dollar's rise, as investors switched into the two currencies offering high interest rates. The dollar was also boosted by Friday's U.S. money supply figures which showed a further increase in the money stock, which in turn led to speculation that U.S. interest rates may be forced higher. The dollar closed at its best level of the day, and fell up from Friday's level. After the close of business in London the U.S. unit continued to improve in New York. In London it closed at DM 4.5340 against the D-mark, its highest level since April this year, and compared with Friday's close at DM 4.5325. The dollar's rise against most other currencies, but eased against the Swiss franc to SwF 1.6570 from SwF 1.6575, as the latter showed some resistance to the dollar's recent improvement. On Bank of England figures, the dollar's trade-weighted index rose from 83.9 to 84.2.

**D-MARK** — Second weakest member of the European Monetary System, and lower against the U.S. dollar on higher U.S. interest rates. The German currency is around a four-year low against sterling and its lowest level against the dollar since April. The D-mark was sharply weaker at yesterday's fixing in Frankfurt, reflecting a basic turnaround in market sentiment. With UK interest rates rising, and U.S. rates further widening, interest differentials have depressed the German unit, together with indications of a slow down in the German economic growth. At the start of the dollar rise, the D-mark fell from DM 4.4925 to DM 4.5325 by the Bundesbank. Sterling improved sharply to DM 4.4790 from DM 4.4510, while the U.S. franc was higher at DM 1.1191.

**DANISH KRONE** — Trading steadily around the middle of the EMS, having suffered two devaluations in 1978. The krone was firmer against the D-mark, Dutch guilder and Italian lira at yesterday's fixing in Copenhagen, but lost ground in terms of sterling and the U.S. dollar. Within the EMS it maintained its place above the Belgian franc, D-mark and lira, reflecting the current weakness of the D-mark. However the krone has also been helped by recent currency inflows, and indications that September trade figures, due later this week, while being slightly worse than August's, should show some improvement compared to earlier months this year. The latest set of figures seem likely to reflect a higher level of oil imports. Yesterday the D-mark was lower at Dkr 3.0802 from Dkr 3.0815, the Dutch guilder at Dkr 2.8435 compared with Dkr 2.8465.

## THE POUND SPOT AND FORWARD

Oct. 20	Day's spread	Close	One month	% Three months	% Six months
U.S.	2.4085-2.4310	2.4295-2.4305	0.82-0.82 pm	4.30 1.53-1.53 pm	2.80 1.53-1.53 pm
Canada	2.8100-2.8370	2.8250-2.8300	1.00-1.00 pm	7.23 1.53-1.53 pm	4.80 1.53-1.53 pm
Netherlands	4.52-4.52	4.50-4.51	37-37 pm	8.28 37-37 pm	8.82 37-37 pm
Belgium	71.35-72.40	72.20-72.30	40-40 pm	8.81 72-72 pm	3.88 72-72 pm
Denmark	13.02-13.02	13.02-13.02	0.00-0.00 pm	8.23 13-13 pm	0.76 13-13 pm
France	1.1800-1.1800	1.1790-1.1800	0.00-0.00 pm	3.51 17-17 pm	2.44 17-17 pm
West Germany	4.48-4.48	4.52-4.53	4-37 pm	8.27 37-37 pm	7.39 37-37 pm
Portugal	122.40-122.80	122.15-122.35	50-50 pm	2.32 10-10 pm	1.70 10-10 pm
Spain	170.00-172.00	171.50-171.50	0.00-0.00 pm	7.75 170-170 pm	7.10 170-170 pm
Italy	211.2-212	213-213	15-15 pm	1.54 21-21 pm	5.29 21-21 pm
Norway	11.82-11.85	11.83-11.84	37-37 pm	2.55 15-15 pm	4.80 15-15 pm
Sweden	10.28-10.45	10.43-10.44	37-37 pm	5.4 15-15 pm	4.12 15-15 pm
Switzerland	10.12-10.22	10.20-10.21	25-25 pm	2.88 37-37 pm	1.20 37-37 pm
Japan	500-510	500-507	3.55-3.55 pm	7.33 7.30-7.40 pm	6.80 7.30-7.40 pm
Australia	31.33-31.38	31.33-31.38	16-16 pm	5.83 32-32 pm	3.68 32-32 pm
South Africa	3.99-4.04	4.02-4.03	47-47 pm	13.04 11-10 pm	10.43 11-10 pm

Belgian rate is for convertible francs. Financial franc 72.40-72.50. 12-month forward dollar 2.05-1.55 pm. 12-month 2.50-2.55 pm.

## THE DOLLAR SPOT AND FORWARD

Oct. 20	Day's spread	Close	One month	% Three months	% Six months
U.S.	2.4085-2.4310	2.4295-2.4305	0.82-0.82 pm	4.30 1.53-1.53 pm	2.80 1.53-1.53 pm
Canada	2.8100-2.8370	2.8250-2.8300	1.00-1.00 pm	7.23 1.53-1.53 pm	4.80 1.53-1.53 pm
Netherlands	4.52-4.52	4.50-4.51	37-37 pm	8.28 37-37 pm	8.82 37-37 pm
Belgium	71.35-72.40	72.20-72.30	40-40 pm	8.81 72-72 pm	3.88 72-72 pm
Denmark	13.02-13.02	13.02-13.02	0.00-0.00 pm	8.23 13-13 pm	0.76 13-13 pm
France	1.1800-1.1800	1.1790-1.1800	0.00-0.00 pm	3.51 17-17 pm	2.44 17-17 pm
West Germany	4.48-4.48	4.52-4.53	4-37 pm	8.27 37-37 pm	7.39 37-37 pm
Portugal	122.40-122.80	122.15-122.35	50-50 pm	2.32 10-10 pm	1.70 10-10 pm
Spain	170.00-172.00	171.50-171.50	0.00-0.00 pm	7.75 170-170 pm	7.10 170-170 pm
Italy	211.2-212	213-213	15-15 pm	1.54 21-21 pm	5.29 21-21 pm
Norway	11.82-11.85	11.83-11.84	37-37 pm	2.55 15-15 pm	4.80 15-15 pm
Sweden	10.28-10.45	10.43-10.44	37-37 pm	5.4 15-15 pm	4.12 15-15 pm
Switzerland	10.12-10.22	10.20-10.21	25-25 pm	2.88 37-37 pm	1.20 37-37 pm
Japan	500-510	500-507	3.55-3.55 pm	7.33 7.30-7.40 pm	6.80 7.30-7.40 pm
Australia	31.33-31.38	31.33-31.38	16-16 pm	5.83 32-32 pm	3.68 32-32 pm
South Africa	3.99-4.04	4.02-4.03	47-47 pm	13.04 11-10 pm	10.43 11-10 pm

Belgian rate is for convertible francs. Financial franc 72.40-72.50. 12-month forward dollar 2.05-1.55 pm. 12-month 2.50-2.55 pm.

## CURRENCY MOVEMENTS

Oct. 20	Day's spread	Close	One month	% Three months	% Six months
U.S.	2.4085-2.4310	2.4295-2.4305	0.82-0.82 pm	4.30 1.53-1.53 pm	2.80 1.53-1.53 pm
Canada	2.8100-2.8370	2.8250-2.8300	1.00-1.00 pm	7.23 1.53-1.53 pm	4.80 1.53-1.53 pm
Netherlands	4.52-4.52	4.50-4.51	37-37 pm	8.28 37-37 pm	8.82 37-37 pm
Belgium	71.35-72.40	72.20-72.30	40-40 pm	8.81 72-72 pm	3.88 72-72 pm
Denmark	13.02-13.02	13.02-13.02	0.00-0.00 pm	8.23 13-13 pm	0.76 13-13 pm
France	1.1800-1.1800	1.1790-1.1800	0.00-0.00 pm	3.51 17-17 pm	2.44 17-17 pm
West Germany	4.48-4.48	4.52-4.53	4-37 pm	8.27 37-37 pm	7.39 37-37 pm
Portugal	122.40-122.80	122.15-122.35	50-50 pm	2.32 10-10 pm	1.70 10-10 pm
Spain	170.00-172.00	171.50-171.50	0.00-0.00 pm	7.75 170-170 pm	7.10 170-170 pm
Italy	211.2-212	213-213	15-15 pm	1.54 21-21 pm	5.29 21-21 pm
Norway	11.82-11.85	11.83-11.84	37-37 pm	2.55 15-15 pm	4.80 15-15 pm
Sweden	10.28-10.45	10.43-10.44	37-37 pm	5.4 15-15 pm	4.12 15-15 pm
Switzerland	10.12-10.22	10.20-10.21	25-25 pm	2.88 37-37 pm	1.20 37-37 pm
Japan	500-510	500-507	3.55-3.55 pm	7.33 7.30-7.40 pm	6.80 7.30-7.40 pm
Australia	31.33-31.38	31.33-31.38	16-16 pm	5.83 32-32 pm	3.68 32-32 pm
South Africa	3.99-4.04	4.02-4.03	47-47 pm	13.04 11-10 pm	10.43 11-10 pm

Belgian rate is for convertible francs. Financial franc 72.40-72.50. 12-month forward dollar 2.05-1.55 pm. 12-month 2.50-2.55 pm.

## OTHER CURRENCIES

Oct. 20	Day's spread	Close	One month	% Three months	% Six months
U.S.	2.4085-2.4310	2.4295-2.4305	0.82-0.82 pm	4.30 1.53-1.53 pm	2.80 1.53-1.53 pm
Canada	2.8100-2.8370	2.8250-2.8300	1.00-1.00 pm	7.23 1.53-1.53 pm	4.80 1.53-1.53 pm
Netherlands	4.52-4.52	4.50-4.51	37-37 pm	8.28 37-37 pm	8.82 37-37 pm
Belgium	71.35-72.40	72.20-72.30	40-40 pm	8.81 72-72 pm	3.88 72-72 pm
Denmark	13.02-13.02	13.02-13.02	0.00-0.00 pm	8.23 13-13 pm	0.76 13-13 pm
France	1.1800-1.1800	1.1790-1.1800	0.00-0.00 pm	3.51 17-17 pm	2.44 17-17 pm
West Germany	4.48-4.48	4.52-4.53	4-37 pm	8.27 37-37 pm	7.39 37-37 pm
Portugal	122.40-122.80	122.15-122.35	50-50 pm	2.32 10-10 pm	1.70 10-10 pm
Spain	170.00-172.00	171.50-171.50	0.00-0.00 pm	7.75 170-170 pm	7.10 170-170 pm
Italy	211.2-212	213-213	15-15 pm	1.54 21-21 pm	5.29 21-21 pm
Norway	11.82-11.85	11.83-11.84	37-37 pm	2.55 15-15 pm	4.80 15-15 pm
Sweden	10.28-10.45	10.43-10.44	37-37 pm	5.4 15-15 pm	4.12 15-15 pm
Switzerland	10.12-10.22	10.20-10.21	25-25 pm	2.88 37-37 pm	1.20 37-37 pm
Japan	500-510	500-507	3.55-3.55 pm	7.33 7.30-7.40 pm	6.80 7.30-7.40 pm
Australia	31.33-31.38	31.33-31.38	16-16 pm	5.83 32-32 pm	3.68 32-32 pm
South Africa	3.99-4.04	4.02-4.03	47-47 pm	13.04 11-10 pm	10.43 11-10 pm

Belgian rate is for convertible francs. Financial franc 72.40-72.50. 12-month forward dollar 2.05-1.55 pm. 12-month 2.50-2.55 pm.

## EMS EUROPEAN CURRENCY UNIT RATES

Oct. 20	Day's spread	Close	One month	% Three months	% Six months
U.S.	2.4085-2.4310	2.4295-2.4305	0.82-0.82 pm	4.30 1.53-1.53 pm	2.80 1.53-1.53 pm
Canada	2.8100-2.8370	2.8250-2.8300	1.00-1.00 pm	7.23 1.53-1.53 pm	4.80 1.53-1.53 pm
Netherlands	4.52-4.52	4.50-4.51	37-37 pm	8.28 37-37 pm	8.82 37-37 pm
Belgium	71.35-72.40	72.20-72.30	40-40 pm	8.81 72-72 pm	3.88 72-72 pm
Denmark	13.02-13.02	13.02-13.02	0.00-0.00 pm	8.23 13-13 pm	0.76 13-13 pm
France	1.1800-1.1800	1.1790-1.1800	0.00-0.00 pm	3.51 17-17 pm	2.44 17-17 pm
West Germany	4.48-4.48	4.52-4.53	4-37 pm	8.27 37-37 pm	7.39 37-37 pm
Portugal	122.40-122.80	122.15-122.35	50-50 pm	2.32 10-10 pm	1.70 10-10 pm
Spain	170.00-172.00	171.50-171.50	0.00-0.00 pm	7.75 170-170 pm	7.10 170-170 pm
Italy	211.2-212	213-213	15-15 pm	1.54 21-21 pm	5.29 21-21 pm
Norway	11.82-11.85	11.83-11.84	37-37 pm	2.55 15-15 pm	4.80 15-15 pm
Sweden	10.28-10.45	10.43-10.44	37-37 pm	5.4 15-15 pm	4.12 15-15 pm
Switzerland	10.12-10.22	10.20-10.21	25-25 pm	2.88 37-37 pm	1.20 37-37 pm
Japan	500-510	500-507	3.55-3.55 pm	7.33 7.30-7.40 pm	6.80 7.30-7.40 pm
Australia	31.33-31.38	31.33-31.38	16-16 pm	5.83 32-32 pm	3.68 32-32 pm
South Africa	3.99-4.04	4.02-4.03	47-47 pm	13.04 11-10 pm	10.43 11-10 pm

Belgian rate is for convertible francs. Financial franc 72.40-72.50. 12-month forward dollar 2.05-1.55 pm. 12-month 2.50-2.55 pm.

## EXCHANGE CROSS RATES

Oct. 17	Pound sterling	U.S. dollar	Deutsche Mark	Japanese Yen	French Franc	Swiss Franc	Dutch Guilder	Italian Lira	Canadian Dollar	Belgian Franc
Pound sterling	1.0000	2.4300	4.083	307.0	4.908	1.000	2.019	1.167	72.25	72.25
U.S. dollar	0.412	1.0000	1.955	206.0	4.908	1.000	2.019	1.167	59.75	59.75
Deutsche Mark	0.221	0.535	1.0000	111.9	3.308	0.889	1.082	0.626	15.94	15.94
Japanese Yen	1.972	4.793	8.940	100.0	3.308	7.944	9.675	0.593	148.5	148.5
French Franc	0.255	0.255	4.244	425.8	1.0000	4.701	3046	2.717	69.84	69.84
Swiss Franc	0.248	0.605	1.123	126.9	2.501	1.218	560.7	0.704	17.94	17.94
Dutch Guilder	0.200	0.465	0.884	103.4	2.187	0.821	1.000	0.078	14.75	14.75
Italian Lira	0.468	1.157	2.180	237.2	4.883	2.894	2.290	1.257	33.50	33.50
Canadian Dollar	0.333	0.857	1.598	178.8	3.680	1.450	1.730	1.753	1.26	1.26
Belgian Franc	1.391	3.065	8.873	701.7	14.44	8.574	9.789	3.925	100.0	100.0

## FT LONDON INTERBANK FIXING (11.00 a.m. OCTOBER 20)

5 months U.S. dollars	8 months U.S. dollars
bid 10 5/8 offer 13 3/4	bid 15 5/8 offer 17 3/4

The fixing rates are the withstanding means, rounded to the nearest one-sixteenth, of the bid and offered rates for \$10m quoted by the market to five reference banks at 11 am each working day. The banks are National Westminster Bank, Bank of Tokyo, Deutsche Bank, Banque Paribas and Citicorp.

## EURO-CURRENCY INTEREST RATES (Market Closing Rates)

Oct. 20	Starling	U.S. dollar	Canadian dollar	Dutch Guilder	Swiss Franc	West German Mark	French Franc	Italian Lira	Asian \$	Japanese Yen
Short term	12 1/2-13 1/2	12 1/2-13 1/2	8 1/4-8 1/4	8 1/4-8 1/4	8 1/4-8 1/4	8 1/4-8 1/4	11 1/2-11 1/2	14-17	—	9 1/4-9 1/2
7 days notice	12 1/2-13 1/2	12 1/2-13 1/2	8 1/4-8 1/4	8 1/4-8 1/4	8 1/4-8 1/4	8 1/4-8 1/4	11 1/2-11 1/2	14-17	—	9 1/4-9 1/2
Month	12 1/2-13 1/2	12 1/2-13 1/2	8 1/4-8 1/4	8 1/4-8 1/4	8 1/4-8 1/4	8 1/4-8 1/4	11 1/2-11 1/2	14-17	—	9 1/4-9 1/2
Three months	12 1/2-13 1/2	12 1/2-13 1/2	8 1/4-8 1/4	8 1/4-8 1/4	8 1/4-8 1/4	8 1/4-8 1/4	11 1/2-11 1/2	14-17	—	9 1/4-9 1/2
Six months	12 1/2-13 1/2	12 1/2-13 1/2	8 1/4-8 1/4	8 1/4-8 1/4	8 1/4-8 1/4	8 1/4-8 1/4	11 1/2-11 1/2	14-17	—	9 1/4-9 1/2
One year	12 1/2-13 1/2	12 1/2-13 1/2	8 1/4-8 1/4	8 1/4-8 1/4	8 1/4-8 1/4	8 1/4-8 1/4	11 1/2-11 1/2	14-17	—	9 1/4-9 1/2

Long-term Eurodollar two years 12 1/2-13 1/2 per cent three years 12 1/2-13 1/2 per cent four years 12 1/2-13 1/2 per cent five years 12 1/2-13 1/2 per cent nominal closing rates. Short-term rates are call for sterling, U.S. dollars, Canadian dollar and Japanese yen; others two-day notice. Asian rates are closing rates in Singapore. The following rates were quoted for London dollar certificates of deposit: one month 13 1/2-13 3/4 per cent three months 13 1/2-13 3/4 per cent six months 13



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## U.S.-China grain deal expected this week

WASHINGTON—The tentative U.S.-China grain agreement providing for the supply of 6m to 8m tonnes of U.S. grain annually for four years, is expected to be signed later this week, said Thomas Saylor, the U.S. official who negotiated the pact.

Mr. Saylor, who just returned to Washington after two weeks of talks with Chinese officials, said he hopes the pact will be signed sometime this week, most likely in Beijing, after final approval is given by all Chinese officials.

Mr. Saylor declined to go into detail about the tentative agreement until it is actually signed by the Chinese. But it is believed the proposed pact consists of 80 per cent wheat and with the rest maize.

China apparently wants to buy grain because of increased consumption by its growing population and lower harvest this year following a dry winter and low temperatures, agricultural experts said.

China had a record output of 60.5m tonnes of wheat last year but planted a smaller area this year, U.S. officials said.

## Soviet meat output criticised

MOSCOW—The results of livestock farming in the biggest of the Soviet Union's 15 republics were described as unsatisfactory in the Soviet media yesterday although other figures showed a jump in overall Soviet meat production in September.

Soviet meat production last month exceeded the equivalent monthly figure for 1979 for the first time since February, according to the weekly Ekonomicheskaya Gazeta.

The journal, however, said that farmers on the whole had not yet managed to overcome the consequences of the difficult winter and the lack of fodder in the spring.

The newspaper Sovetskaya Rossiya described the results of livestock farming in the Russian federation, largest Soviet republic, for the first three quarters of 1980 as "clearly unsatisfactory".

Both meat and milk production over the nine months were 5 per cent below the levels of last year in the republic.

Serious mistakes in the management of many State and collective farms were blamed as well as the weather and fodder shortage. Reuters

## Easier trend in metals

BY JOHN EDWARDS, COMMODITIES EDITOR

DECLINES in gold and silver brought a generally easier tone on the London Metal Exchange yesterday, with the exception of tin which gained ground.

Market sentiment remains somewhat gloomy about the future. Metals Analysts and Outlook in its Autumn issue, just out, sees little prospect of any big rise in most metal prices at least until the second half of next year.

It is claimed that although the U.S. economy has shown some signs of recovery from a very depressed base, the main European economies have moved into a recession and the Japanese economy has slowed significantly. Consequently, it is estimated that Western world industrial production will decline at an annual rate of 5 per cent during the second half of this year.

Metals Analysis predicts lower average prices in 1981 for aluminium, copper and tin, with the possibility of a dramatic increase in aluminium prices during the next year.

Lead and nickel prices are expected to rise marginally, while zinc could increase strongly in response to a growing shortage of concentrates.

Another European zinc producer, Aciennne, confirmed yesterday it was raising its official producer price from \$780 to \$825 a tonne. Following the decision of the leading West German smelters to go to \$825 in line with other producers, this appears established as a new European producer quotation. However, doubts remain

whether it can be sustained realistically in view of continued poor demand, especially in West Germany.

Coincidentally there was a big increase in LME warehouse stocks of zinc. They rose by 2,625 tonnes to a hefty total of 64,825 tonnes.

Lead stocks rose by 1,000 tonnes to 79,000 tonnes, aluminium stocks by 1,675 to 43,300 tonnes and LME silver holdings by 180,000 to 217,000 ounces. Copper stocks fell by 425 to 125,500 tonnes, nickel by 50 to 4,250 tonnes and tin by 130 to 3,520 tonnes. A possible squeeze on available supplies was the main influence in raising the cash tin price by \$27.5 to \$6,932.5 a tonne. The three months' quotation

gained only \$7.5 to \$6,925.

Reuter reported from Lusaka, that Zambia and Zaire will in the coming week plan a joint strategy to neutralise what a senior Zambia metal marketing executive described as a campaign by consumer nations to try to push down the price of copper and cobalt.

Mr. Laurence Mutakasha, managing director of the Zambian Metal Marketing Corporation was quoted in the State-owned Zambia Daily Mail as saying: "We can no longer accept that we give our natural resources away at ridiculous prices."

He said the forthcoming talks were imperative as "we must face the coming year as major cobalt producers."

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## Silver deficit may go

BY JOHN WICKS IN ZURICH

A RADICAL change in the world silver market balance, with supplies matching demand after many years of deficit, is forecast by the Zurich-based Credit Suisse in its latest monthly bulletin.

Credit Suisse estimates that next year supplies of silver will be only 7m ounces at most below demand, while this year following the price explosion in the first quarter, the shortfall in supply made up by withdrawal of stocks, could be between 5m to 8m ounces.

The report forecasts total 1981 supply as between 448m and 463m ounces, of which some

160m would come from recovered metal and the remainder from mined production.

The rise of silver prices is seen as playing an important part in heralding an increase in mine production, with all five main producer countries planning expanded output.

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## Eurocrats anger milk producers

By Richard Mooney

THE EUROPEAN milk industry is angry over a decision taken by Common Market civil servants which effectively reduces the support price for milk.

At an EEC management committee meeting last Friday it was decided to increase the delay between intervention sales and eventual payment from 40-60 days to 60-90 days. This arbitrary extension of sellers' overdrafts will cost them up to £25 a tonne resulting in a reduction in the effective support price.

Mr. Alan Boardman chairman of Adams Foods, which markets Irish dairy products in the UK, said yesterday:

"Until a few months ago there was no official payment period on dairy intervention sales and some sellers were getting paid in as little as 21 days, he added.

English Milk Marketing Board officials agreed that the change of rules was indefensible. That was wrong, that non-elected officials should not be able to take decisions which affected support prices reached after long and careful negotiations between EEC farm ministers.

The change will hit producer groups in all EEC countries but it will be particularly hard on those in countries with high interest rates, such as Britain.

## More EEC sugar available for export

TOTAL EEC sugar available for export in 1980-81 could reach 3,650,000 tonnes, while value (4m tonnes raw), West German sugar statistician F. O. Licht says in its latest international sugar report.

This increase in the EEC export availability is highly welcome during a period of international shortage.

Licht puts total 1980-81 EEC sugar production, including harvest in Greece, which joins the EEC in January 1981, at 12,095,000 tonnes.

Licht notes that authority has recently been granted for the minimum level of stocks to be reduced.

The net effect of this reduction is likely to be around 260,000 tonnes, so that total EEC exports are forecast at around 3,650,000 tonnes.

## COCONUTS

# Indonesia's production campaigns pay off

BY RICHARD COWPER IN JAKARTA

INDONESIA, the world's second largest coconut producer after the Philippines, is now firmly back in the export market after an embarrassing two years of being forced to import both coconut oil and copra to meet domestic requirements.

Coconut production is expected to increase by 70,000 tonnes this year to 1,63m tonnes of copra equivalent and exports are likely to check in at around 160,000 tonnes.

A government campaign to encourage new planting and rehabilitation of ageing trees coupled with a series of financial incentives to smallholders have played an important role in the turnaround. The key factor, however, in Indonesia's return to its traditional role as an exporter has been a successful government programme to substitute more cheaply produced local palm oil for the coconut oil normally used in Indonesian cooking.

To the obvious distress of the Indonesian Ministry of Agriculture, coconut oil imports soared to almost 100,000 tonnes in 1978, but as the new domestic

substitution policy began to take effect, dropped to 27,000 tonnes last year. This year Indonesia is likely to export around 100,000 tonnes of coconut oil, though a sharp upturn in world prices would undoubtedly increase this even further.

Coconut oil is the main edible oil used in Indonesia and has traditionally accounted for over 90 per cent of the country's vegetable oil requirements, but with the success of the palm oil substitution programme, domestic coconut oil consumption has dropped 20 per cent last year, while palm oil consumption rose by 135 per cent to 233,000 tonnes.

Agricultural experts expect this trend to continue with increasing amounts of coconut oil finding its way on to the world market over the next five years.

While Indonesia's palm oil production has grown considerably since 1975, coconut production has shown only marginal gains. The main reason for this is that nearly all the coconut trees grown in Indonesia belong to smallholders who for lack of incentives have

been unwilling to replace the estimated 25 per cent of the tree population which is now believed to be over 50 years of age.

In an effort to increase production Indonesia has announced a programme to extend low-cost long-term loans to replant some 210,000 hectares of ageing coconut trees and to plant new areas amounting to 100,000 hectares by 1984.

The Indonesian Government is currently negotiating a loan with the World Bank which would provide for the planting and rehabilitation of around 70,000 hectares in Sumatra and Sulawesi.

In an effort to increase the competitiveness of Indonesian copra and coconut oil on the world market, Indonesia has now eliminated minimum export prices and export surtaxes on both products. The result of these efforts are not however likely to show through in large production increases for several years. The official target for 1984 is 1.84m tonnes, but experts say this is somewhat over-optimistic, with 1.75m tonnes a more likely outcome.

## New tax incentives to boost Malaysian rubber industry

BY WONG SULONG IN KUALA LUMPUR

FOR THE SECOND successive year, the Malaysian rubber industry is to get substantial tax incentives as announced in the budget last week.

Last year, the industry received \$260m through the restructuring of the export duty. This year, the industry will gain another \$211m through a change in the calculation of export duty based on different grades of rubber, and through higher replanting grants to smallholders.

The incentives are given to revive the industry, whose production has been stagnant at 1.6m tonnes a year for the past three years, and new planting has been slow.

Previously, export duty of

rubber is based on RSS 1 grade, and this sometimes leads to sharp distortions in prices between RSS 1 and other grades, which had to be taxed like RSS 1.

To overcome this, the new duty will be based on nine grades—three for RSS, and six for SMR (Standard Malaysian Rubber). The industry will gain \$262m from this change.

The rubber replanting grant for holdings of less than 10 acres will be increased from \$51,200 to \$52,200 per acre. For holdings exceeding 10 acres, the grant would be increased from \$50,000 to \$51,500 per acre. This would cost the Government an extra \$590m a year.

For 1980, the Malaysian Treasury expects rubber exports to be 1.6m tonnes, at an average price of 300 Malaysian cents per kilo.

For 1981, it expects exports to rise to 1.62m tonnes with an average price of 320 cents per kilo.

For palm oil, exports for this year are projected at 2.08m tonnes at an average price of \$81.125 per tonne, while for 1981, the projection is an export of 2.33m tonnes with the price remained unchanged.

For tin, the Malaysian Treasury forecast exports at 72,000 tonnes for this year, at an average price of \$52,100 per tonne, while for 1981, the forecast is for an export volume of 70,000 tonnes at a lower price of \$52,075 per tonne.

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## BRITISH COMMODITY PRICES

### BASE METALS

COPPER—Declined on the London Metal Exchange in quiet trading. After opening slightly weaker in pre-market trading at 187, forward metal strengthened to 187.4 before falling back in line with gold to 186.9 by midday. The afternoon saw the day's low point at 186.5, but it was the close on the late Korb. Turnover: 15,325 tonnes.

TIN—Lost ground in more active trading. After opening in the pre-market at 15,550, forward metal moved up during the morning to 15,570, falling back to 15,550 by lunchtime, where the Contango narrowed to about £45. The afternoon saw the day's high of 15,580, before forward metal slipped back to 15,550.

LEAD—Quiet trading. Forward metal moved in the range between £270 and £280 all day, finally closing at £279.5. Turnover: 11,550 tonnes.

ALUMINIUM—Quiet trading. Forward metal moved in the range between £270 and £280 all day, finally closing at £279.5. Turnover: 11,550 tonnes.

IRON—Quiet trading. Forward metal moved in the range between £270 and £280 all day, finally closing at £279.5. Turnover: 11,550 tonnes.

STEEL—Quiet trading. Forward metal moved in the range between £270 and £280 all day, finally closing at £279.5. Turnover: 11,550 tonnes.

COAL—Quiet trading. Forward metal moved in the range between £270 and £280 all day, finally closing at £279.5. Turnover: 11,550 tonnes.

WHEAT—Quiet trading. Forward metal moved in the range between £270 and £280 all day, finally closing at £279.5. Turnover: 11,550 tonnes.

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Although there is very strong political pressure for a new cocoa agreement to be negotiated, the continued surplus of supplies is expected to strengthen consumers' resistance to the producers' demand for a minimum price of above \$1 a pound.

UK consumers, who have encouraged the British Government's hard line, last week claimed that any minimum above 90 cents would result in a cocoa "mountain" of supplies building up to even greater levels.

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# Hectic trade in Australians following election result

## Investment inertia leaves UK Gilts and equities easier

**Account Dealing Dates**  
**Option**  
 \*First Declared Last Account  
 Dealings tions Dealings Day  
 Oct. 13 Oct. 23 Oct. 24 Nov. 3  
 Oct. 27 Nov. 6 Nov. 7 Nov. 17  
 Nov. 10 Nov. 20 Nov. 21 Dec. 15  
 \*New time\* dealings may take  
 from 5 am two business days  
 earlier.

The surprise return of the Liberal-Conservative Party coalition with a substantial majority in the Australian election led to hectic trading in Australian stock markets yesterday. London stock markets were otherwise rather featureless, beginning the final leg of the trading Account Dealing Dates with leading industrial and Gilts and equities trading lower.

London dealers took a slightly less euphoric view of the election result than their "down-under" counterparts and opened prices in the late afternoon. Australian indications, however, were validated by an initial wave of selling forcing values easier. But the offerings were absorbed and the market settled down to a well-balanced trade to close with gains throughout the list. Leading Australian shares vied with the more speculative exploration issues for the largest rises, these extended to 50p and more among heavier-priced stocks.

Investment inertia was the main reason for the ease in leading UK equities and Gilts-ed market values. A steady to firm opening tone in the former gradually evaporated and, following receipt of last month's retail sales figures which continued the recent downturn, most first-line stocks settled marginally lower. The FT 100 closed 3.6p down on balance at 477.5 after having shown a gain of 0.4 at 11 am.

A continuing lack of investment funds inhibited business in Government stocks. Sterling's early lower tone yesterday was another depressing influence, but when the pound moved up late the losses in Gilts-ed were slightly reduced. Longer-dated securities were rarely more than 1/2 down in the late trade with the shorts around 1/2 easier on balance. The new partly-paid medium term, Exchequer 1991, per cent 1986, slipped to 2 1/4, or 1 discount.

The quiet business in equities was reflected in traded options where 1,031 deals were completed, half of last week's daily average of 2,072.

**Sterling Credit fall**  
 Mr. Purchase issues had a dull feature in Sterling Credit which dropped 5 to 7p on the bigger annual loss, final dividend omission, planned financial

arrangement and Board reorganisation. The major clearing banks were idle; NatWest, 4 off at 41 1/2, provided the only movement in note. Elsewhere, ANZ put on 12 to 22 1/2, while Bank of New South Wales and National Bank of Australia added 7 1/2 to 16 1/2 and 12 1/2 respectively reflecting satisfaction with the outcome of the Australian General Election.

Both Composite and Life Insurance held quietly firm. Among the former, Royals hardened 3 to 43 1/2 and Sun Alliance 8 to 76 1/2.

The higher dividend and profits from Highland Distillers were deemed disappointing and the close was 3 easier of 10 1/2. Other Wines and Spirits trended to lower levels in sympathy. Arthur Bell, annual results Wednesday week, shed a couple of pence to 18 1/2, while Wm. Watson gave up 3 to 12 1/2. Macalister, 48 1/2, and Macdonald Martin A, 43 1/2, fell 10 and 20 respectively.

Business in Buildings was slack and price movements rarely exceeded a few pence in the late afternoon. London Brick shed a penny to 73p and UBM 4 1/2 to 66p awaiting the respective interim results due today. Trading statements were responsible for a couple of firm spots in secondary issues. Bryant adding 4 to 85p on the better-than-expected annual results and proposed 100 per cent scrip issue, and Feb International A improving 2 to 42p on the increased interim profits. Among Timber, Montagu, 10 1/2, the subject of considerable speculative activity recently, eased 2 to 82p following a call for a probe into recent dealings in the shares.

Business in leading Chemicals was at a low ebb on worries about falling output. ICI drifted off and closed 6 cheaper at 32 1/2, while Allied Colloids shed 6 to 10 1/2. Calsonic dropped 5 to 46p on the third-quarter loss.

**Stylo good**  
 Leading Stores opened the second leg of the Account on a firmer note but business was slow to develop and, following the disappointing provisional retail sales figures, most issues closed with modest losses. British Home, interim results Wednesday, shed 3 to 14 1/2, while falls of 2 were marked against House of Fraser, 13 1/2, and Cussons A which ended at 44 1/2, after having touched 45 1/2 earlier in the session. Mothercare held steady at 22 1/2; the interim results are expected today, while Press comment aided Burton, a penny better at 9 1/2, after 93p. Secondary concerns were rarely altered,

although John Michael, 18p, recovered most of Friday's fall of 8 which reflected the annual deficit. In Shoes, Stylo, dull last week on poor interim results, attracted renewed speculative demand and jumped 30 for a two-day gain of 30 to 140p.

Sporadic offerings and lack of support made for an easier trend in the Electricals leaders. CEC drifted off to close 8 cheaper at 52 1/2, while falls of a few pence were marked against Plessey, 25 1/2, and Racal 32 1/2. Several noteworthy movements were

seen in secondary issues. Demand in a market now well supplied with stock left Whitworth Electric up 18 at 100p, but country selling prompted a fall of 12 to 50p in Electronic Machine. Wholesale Fittings met revived support and improved 20 to a fresh high for the year of 94 1/2. Down to 55p initially, Laurence Scott rallied to close only a penny cheaper on balance at 58p following the statement on trading from Mining Supplies in connection with the latter's bid for Laurence Scott.

Engineers put on a rather uninspiring performance. Nervous offerings ahead of tomorrow's announcement of the half-yearly results left Hawker down 8 at 22 1/2. GKN eased 5 to 17 1/2 on revived offerings, while Tubes eased 2 to 21 1/2 and John Brown a penny to 73p. Outside of the leaders, adverse Press mention ahead of the interim figures, due tomorrow, prompted a reaction of 3 to 22 1/2 in Dupont. Foods closed lower in places. Among the leaders, Tate and Lyle and Rowntree Macintosh shed 2 to 15 1/2 and 16 1/2 respectively. Supermarkets bid J.

AAH which closed 3 firmer at 18 1/2. Better-than-expected half-yearly results prompted a rise of 7 to 11 1/2 in J. W. Spear, but Brook Street Jewellery eased 2 to 42p on the slower interim profits with Reed Executive closing similarly lower at 47 1/2. In sympathy, Speculative demand left Kelsey Industries 10 to the good at 14 1/2, while United Carriers continued to respond to recent Press mention with a fresh rise of 6 to 22 1/2. Renewed demand lifted J. M. Penner 4 to 26 1/2, while Tebbit Group lost 2 to 31p following the half-yearly figures. Among the leaders, investment demand prompted firmness in Bover, up 9 at 17 1/2, but little else worthy of note emerged. Reflecting the Australian election result, Broken Hill Proprietary rose 20 to a new peak for the year of 81 1/2.

Down 11 on Friday on the Monopolies Commission reference and resultant lapsing of the Grand Metropolitan's bid for the company, Coral Leisure shed 3 more to 73p. Grand Met also closed 3 off, at 15 1/2. Associated Leisure, speculatively supported on Friday, added a penny more to 10 1/2, but Ladbrooke eased 2 to 22 1/2. Among other Leisure issues, Saga Holidays added 3 to 18 1/2 ahead of Thursday's preliminary results, while Norton and Wright improved 5 to 73p, the latter in a thin market.

Lucas continued to be an unsold market ahead of annual results due on November 10 and fell 4 to a 1980 low of 17 1/2. Other Motor Components passed a quiet session and held the pre-weekend levels. Distributors were mixed; Henlys added 2 more to 33 1/2, while Press comment helped Caffrys, 17 1/2, and British Car Auction, 74p, up 2 and 1 1/2 respectively. Applavard on the other hand, dipped 3 to 33p.

Link House, a rising market of late, shed 4 to 21 1/2 after profit-taking, while Portsmouth and Sunderland, interim results next Thursday, eased a penny to 77p. Elsewhere, Mills and Allen added 3 more to 33 1/2, but support was lacking for John Waddington, 4 cheaper at 13 1/2.

Properly based on an extremely quiet session. The leaders trended easier, Land Securities and MEPC losing a couple of pence apiece at 38 1/2 and 23 1/2 respectively. Peaseley shed 1 penny to 16 1/2 awaiting today's preliminary results. Elsewhere, Hong Kong Land put on 12 to 18 1/2 on Far Eastern influences.

**Oil Leaders Quiet**  
 Leading Oils passed one of the quietest sessions for some time. Nevertheless, the trend was firmer, BP edging up to close 8 dearer at 44 1/2 and Shell a few pence harder at 44 1/2. The more speculative issues presented a mixed appearance. Reflecting advance in Australian shares, Magellan rose 20 to 37 1/2 and Strata 10 to 14 1/2. Shackleton were in renewed demand and put on 12 to 10 1/2, but Sovereign met selling at 43 1/2, down 7, while Candecia also encountered offerings and gave up 10 to 28 1/2.

Far Eastern issues continued to attract buying interest in the afternoon. Japan gained 14 more to 24 1/2 and Jardine Japan 9 further to 13 1/2. Among

Financials, Hampton Trust touched 75p before settling at 69p, up 5, while revived demand left Mercantile House 11 to the good at 37 1/2.

In Textiles, further consideration of Friday's annual figures left Lister 2 better at 35p, but recently firm Radley Fashion encountered profit-taking and fell 6 to 32p.

**Australians dominate**  
 Australian mining shares scored across-the-board rises yesterday as investors reacted to news of the outcome of the Federal Election. All the leaders recorded strong rises, especially uranium, particularly weak of late on fears of a Labor victory.

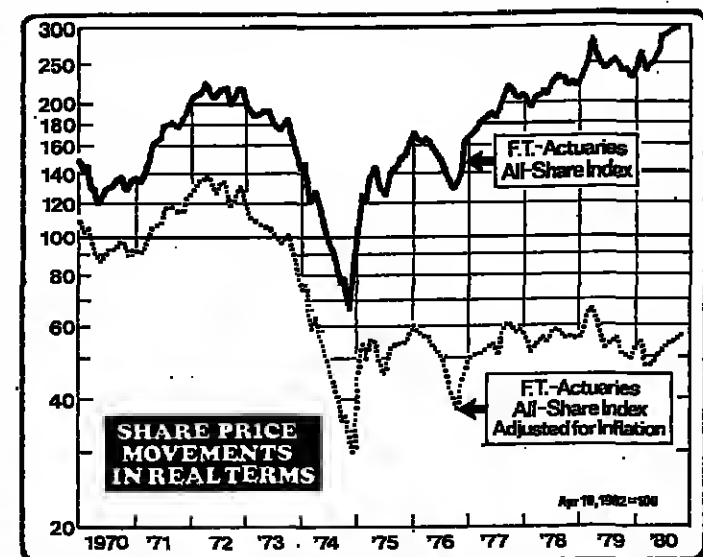
Pancontinental were finally 35 better at 35 1/2, while Peko-Wallaseid jumped 60 to 60 1/2. Rises of more than 20 were common to CRA, 33 1/2, MTM Holdings, 32 1/2, and Western Mining, 32 1/2.

The weakness of the gold price was ignored as Gold Mines of Kalgoorlie jumped 13 to 56 1/2, North Kalgoorlie put on 4 to 11 1/2 and Potosi gained 33 to 34 1/2. Greenbushes Tin and Vulcan Minerals, star performers last week, were relatively quiet and closed 63 up at 63 1/2 and 63 1/2 respectively. Elsewhere, mining markets were very quiet. South African Gold declined steadily throughout the day in line with the metal, which closed 8 1/2 lower at 86 1/2. The Gold Mines index recorded the biggest one-day fall this month with a decline of 16.1 to 484.4.

Among the heavyweights, Harbritefontein lost 2 1/2 to 41 1/2 and President Brand 1 1/2 to 23 1/2. Western Holdings, 24 1/2, and Klerk, 23 1/2, were both 1 1/2 weaker, while President Steyn fell 1 1/2 to 22 1/2.

Venterspost led the retreat among the lower-priced issues with a fall of 4 1/2 to 93 1/2, while "Sallies" were up 32 to 68 1/2. Eldorado 31 to 65 1/2, Blyvoor 28 to 97 1/2 and Free State Sixpence 21 to 47 1/2.

Financials were mostly cheaper in sympathy, with "Amalg" losing 1 1/2 to 25 1/2 and GFSA 4 lower at 24 1/2. Anglovaal provided an exception, up 1 1/2 to 22 1/2. In London, the financials, except Gold Fields declined 15 to 62 1/2, while RTZ gained 6 to 48 1/2 because of its Australian interests.



bad valued at around 65p from AAH which closed 3 firmer at 18 1/2. Better-than-expected half-yearly results prompted a rise of 7 to 11 1/2 in J. W. Spear, but Brook Street Jewellery eased 2 to 42p on the slower interim profits with Reed Executive closing similarly lower at 47 1/2. In sympathy, Speculative demand left Kelsey Industries 10 to the good at 14 1/2, while United Carriers continued to respond to recent Press mention with a fresh rise of 6 to 22 1/2. Renewed demand lifted J. M. Penner 4 to 26 1/2, while Tebbit Group lost 2 to 31p following the half-yearly figures. Among the leaders, investment demand prompted firmness in Bover, up 9 at 17 1/2, but little else worthy of note emerged. Reflecting the Australian election result, Broken Hill Proprietary rose 20 to a new peak for the year of 81 1/2.

### ACTIVE STOCKS

Stock	Denomina- tion	No. of shares	Closing price (p)	Change	1980 high	1980 low
Western Mining...	25p	50	50.0	+11	54.0	32.0
GEC	5p	9	9.0	-2	9.0	8.0
Premier Consol.	5p	9	9.0	-2	9.0	8.0
Clyde Petroleum	1s	8	7.45	-5	7.50	2.30
ICL	25p	7	1.53	+3	1.96	1.11
BP	25p	6	4.44	+3	4.44	3.20
Ultramar	25p	6	4.43	+3	4.60	2.06
Euro Ferries	1s	5	1.77	-5	2.79	1.07
GKN	5p	5	1.77	-5	2.79	1.07
ICI	5p	5	1.20	-6	4.02	3.18
N. Kalgoorlie Mines	£1.50	5	1.10	+4	1.19	4.41
Sun Alliance	1s	5	7.60	+6	8.08	5.20
Thorn EMI	25p	5	3.36	-3	3.91	2.80
Boots	25p	4	2.25	-3	2.56	1.55
Cons. Gold Fields	25p	4	6.23	-15	6.80	3.98

### OPTIONS

First Last Last For  
Deal Decla- Decla- Settle-  
Oct. 20 Oct. 31 Jan. 22 Feb. 2  
Nov. 3 Nov. 14 Feb. 5 Feb. 16  
Nov. 17 Nov. 28 Feb. 28 Mar. 9  
For rate indications see end of  
Share Information Service  
Call options were dealt in  
BSG, William, BP,  
Premier Oil, Royal Bank of  
Arrow.

Scotland, British Land, Town and City Properties, Pacific Copper, Coral Leisure, Dupre, FNPC, Shackleton, Double Eagle, Ultramar, Celtic Haven and John Baker. Puts were completed in Woodside and Harmony Gold, while doubles in BSG, William, BP, Cons. Gold Fields and Britannia.

**RECENT ISSUES**  
**EQUITIES**  
 Issue Price P. 1980 Stock  
 115 F.P. 110 110 110 110 110 110  
 67 F.P. 110 110 110 110 110 110  
 1160 F.P. 110 110 110 110 110 110

**FIXED INTEREST STOCKS**  
 Issue Price P. 1980 Stock  
 1100p F.P. 110 110 110 110 110 110  
 1100p F.P. 110 110 110 110 110 110  
 1100p F.P. 110 110 110 110 110 110

**"RIGHTS" OFFERS**  
 Issue Price P. 1980 Stock  
 1100p F.P. 110 110 110 110 110 110  
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**RECENT ISSUES**  
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### FINANCIAL TIMES STOCK INDICES

	Oct. 20	Oct. 17	Oct. 16	Oct. 15	Oct. 14	Oct. 13	1 Year Ago
Government Secs	70.52	70.74	70.70	71.48	71.18	70.94	70.82
Fixed Interest	72.26	72.50	72.51	72.56	72.14	71.90	71.28
Industrial Ord.	477.5	481.1	480.4	485.3	477.4	472.4	466.7
Gold Mines	484.4	500.5	508.3	513.7	525.0	539.9	211.3
Ord. Div. Yield	7.71	7.65	7.67	7.60	7.72	7.78	7.19
Earnings Yld. 5 (Full)	17.43	17.29	17.35	17.18	17.45	17.54	17.94
P/E Ratio (net)	7.00	7.05	7.04	7.10	6.99	6.98	7.11
Total Bargains	30,729	20,061	20,311	21,040	20,417	18,910	17,830
Equity turnover £m.	105.65	102.27	102.27	102.27	102.27	102.27	102.27
Equity bargains total	15,913	16,132	15,762	15,593	15,492	15,021	14,021

10 am 480.3, 11 am 481.5, Noon 480.0, 1 pm 480.3,  
 2 pm 478.5, 3 pm 479.5  
 Latest index 01:24:02.02.  
 \*Nil = 6.52.

Base 100 Govt. Secs. 15/10/28. Fixed Int. 1928. Industrial Ord.  
 1/7/75. Gold Mines 12/5/55. SE Activity July-Dec. 1942.

### HIGHS AND LOWS

	1980		Since Compil'n			Oct. 90	Oct. 91
	High	Low	High	Low			
Govt. Secs.	72.54 (21/7)	65.85 (7/8)	127.4 (8/136)	49.18 (4/175)	—Daily Gilt Edged Industrial & Speculative	122.3 89.6 50.6	102.6 89.6 50.6
Fixed Int.	74.08 (34/7)	64.70 (1/6)	150.4 (1/4)	50.58 (18/175)	Totals.....	70.4	70.4
Ind. Ord.	558.9 (22/2)	406.1 (2/1)	558.9 (1/4/77)	49.4 (28/4/0)	5-day Avg.		
Gold Mines	558.9 (22/2)	265.5 (1/3)	558.9 (22/8/0)	43.5 (17/71)	Gilt Edged Industrial & Speculative Totals.....	102.6 92.9 51.5 70.6	102.6 92.9 51.5 70.6



**AUTHORISED  
UNIT  
TRUSTS**

[illegible]**FT UNIT TRUST INFORMATION SERVICE**

<b>M &amp; G Group (M/G)</b> Three Rivers, Tenn. 42304 01-625-6586			<b>Scottish Equitable Ltd.</b> 28 St. Andrew St., Edinburgh 01-556-9101			<b>Charterhouse Marine SpA</b> Stephano, Italy, 00100 01-625-61272			<b>Langham Life Assur. Co. Ltd.</b> Langham House, Holborn, London 01-625-61272		
<b>Security Selection Ltd.</b> Regis Hse, New Witten St., EC2A 01-625-4971			<b>Stewart Unit Trst. Managers Ltd.</b> 45, Charlotte St., Edinburgh 01-225-3271			<b>Legal &amp; General Unit Assur.</b> Legal & General, Edinburgh 01-625-61272			<b>Life Assur. Co. of Pennsylvania</b> Life Assur. Co. of Pennsylvania 01-625-61272		
<b>Target Trst. Mgrs. Ltd.</b> 31, Gordon St., E.C.2, London 01-625-61272			<b>Transatlantic and Gen. Secs. (t)</b> 91-99, New London Rd., Chelmsford 01-625-61272			<b>Unit Trust Managers Ltd.</b> Unit Trust Managers Ltd. 01-625-61272			<b>Unit Trust Managers Ltd.</b> Unit Trust Managers Ltd. 01-625-61272		
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## OFFSHORE & OVERSEAS FUNDS

[illegible]

## INSURANCE PROPERTY BONDS

[illegible]



**BRITISH FUNDS**

1980		Stock	Price	+/-	Yield
High	Low				

"Shorts" (Lives up to Five Years)					
100.00	99.50	Encounter 130 1980/81	99.75		13.02
99.50	99.00	Treasury 1130 1981/82	99.25		11.61
99.00	98.50	Treasury 900 1979/81	99.25		3.61
98.50	98.00	Treasury 1130 1980/81	98.75		9.28
98.00	97.50	Each 840 1981	98.13		8.52
97.50	97.00	Each 840 1981	97.75		9.73
97.00	96.50	Each 840 1981	97.00		10.00
96.50	96.00	Treasury 1130 1981	96.50		10.00
96.00	95.50	Treasury 1130 1981	95.75		15.86
95.50	95.00	Each 1240 1981/82	95.00		12.76
95.00	94.50	Each 1240 1981/82	94.50		12.76
94.50	94.00	Each 1240 1981/82	94.00		12.76
94.00	93.50	Each 1240 1981/82	93.50		12.76
93.50	93.00	Each 1240 1981/82	93.00		12.76
93.00	92.50	Each 1240 1981/82	92.50		12.76
92.50	92.00	Each 1240 1981/82	92.00		12.76
92.00	91.50	Each 1240 1981/82	91.50		12.76
91.50	91.00	Each 1240 1981/82	91.00		12.76
91.00	90.50	Each 1240 1981/82	90.50		12.76
90.50	90.00	Each 1240 1981/82	90.00		12.76
90.00	89.50	Each 1240 1981/82	89.50		12.76
89.50	89.00	Each 1240 1981/82	89.00		12.76
89.00	88.50	Each 1240 1981/82	88.50		12.76
88.50	88.00	Each 1240 1981/82	88.00		12.76
88.00	87.50	Each 1240 1981/82	87.50		12.76
87.50	87.00	Each 1240 1981/82	87.00		12.76
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85.50	85.00	Each 1240 1981/82	85.00		12.76
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83.00	82.50	Each 1240 1981/82	82.50		12.76
82.50	82.00	Each 1240 1981/82	82.00		12.76
82.00	81.50	Each 1240 1981/82	81.50		12.76
81.50	81.00	Each 1240 1981/82	81.00		12.76
81.00	80.50	Each 1240 1981/82	80.50		12.76
80.50	80.00	Each 1240 1981/82	80.00		12.76
80.00	79.50	Each 1240 1981/82	79.50		12.76
79.50	79.00	Each 1240 1981/82	79.00		12.76
79.00	78.50	Each 1240 1981/82	78.50		12.76
78.50	78.00	Each 1240 1981/82	78.00		12.76
78.00	77.50	Each 1240 1981/82	77.50		12.76
77.50	77.00	Each 1240 1981/82	77.00		12.76
77.00	76.50	Each 1240 1981/82	76.50		12.76
76.50	76.00	Each 1240 1981/82	76.00		12.76
76.00	75.50	Each 1240 1981/82	75.50		12.76
75.50	75.00	Each 1240 1981/82	75.00		12.76
75.00	74.50	Each 1240 1981/82	74.50		12.76
74.50	74.00	Each 1240 1981/82	74.00		12.76
74.00	73.50	Each 1240 1981/82	73.50		12.76
73.50	73.00	Each 1240 1981/82	73.00		12.76
73.00	72.50	Each 1240 1981/82	72.50		12.76
72.50	72.00	Each 1240 1981/82	72.00		12.76



## INDUSTRIALS—Continued

Stock	Price	Div	Yield	Vol
Anglo American	250	10	4.0	100
Anglo-African	120	5	4.2	50
Anglo-Asian	150	6	4.0	60
Anglo-Consolidated	180	8	4.4	80
Anglo-Continental	200	10	5.0	100
Anglo-De Beers	220	12	5.5	120
Anglo-Imperial	240	14	5.8	140
Anglo-Industrial	260	16	6.2	160
Anglo-International	280	18	6.4	180
Anglo-Jamaica	300	20	6.7	200
Anglo-Norfolk	320	22	6.9	220
Anglo-Norwich	340	24	7.1	240
Anglo-Norwich	360	26	7.3	260
Anglo-Norwich	380	28	7.4	280
Anglo-Norwich	400	30	7.5	300
Anglo-Norwich	420	32	7.6	320
Anglo-Norwich	440	34	7.7	340
Anglo-Norwich	460	36	7.8	360
Anglo-Norwich	480	38	7.9	380
Anglo-Norwich	500	40	8.0	400
Anglo-Norwich	520	42	8.1	420
Anglo-Norwich	540	44	8.2	440
Anglo-Norwich	560	46	8.3	460
Anglo-Norwich	580	48	8.4	480
Anglo-Norwich	600	50	8.5	500
Anglo-Norwich	620	52	8.6	520
Anglo-Norwich	640	54	8.7	540
Anglo-Norwich	660	56	8.8	560
Anglo-Norwich	680	58	8.9	580
Anglo-Norwich	700	60	9.0	600
Anglo-Norwich	720	62	9.1	620
Anglo-Norwich	740	64	9.2	640
Anglo-Norwich	760	66	9.3	660
Anglo-Norwich	780	68	9.4	680
Anglo-Norwich	800	70	9.5	700
Anglo-Norwich	820	72	9.6	720
Anglo-Norwich	840	74	9.7	740
Anglo-Norwich	860	76	9.8	760
Anglo-Norwich	880	78	9.9	780
Anglo-Norwich	900	80	10.0	800
Anglo-Norwich	920	82	10.1	820
Anglo-Norwich	940	84	10.2	840
Anglo-Norwich	960	86	10.3	860
Anglo-Norwich	980	88	10.4	880
Anglo-Norwich	1000	90	10.5	900
Anglo-Norwich	1020	92	10.6	920
Anglo-Norwich	1040	94	10.7	940
Anglo-Norwich	1060	96	10.8	960
Anglo-Norwich	1080	98	10.9	980
Anglo-Norwich	1100	100	11.0	1000

## INSURANCE—Continued

Stock	Price	Div	Yield	Vol
Anglo-Continental	200	10	5.0	100
Anglo-De Beers	220	12	5.5	120
Anglo-Imperial	240	14	5.8	140
Anglo-Industrial	260	16	6.2	160
Anglo-International	280	18	6.4	180
Anglo-Jamaica	300	20	6.7	200
Anglo-Norfolk	320	22	6.9	220
Anglo-Norwich	340	24	7.1	240
Anglo-Norwich	360	26	7.3	260
Anglo-Norwich	380	28	7.4	280
Anglo-Norwich	400	30	7.5	300
Anglo-Norwich	420	32	7.6	320
Anglo-Norwich	440	34	7.7	340
Anglo-Norwich	460	36	7.8	360
Anglo-Norwich	480	38	7.9	380
Anglo-Norwich	500	40	8.0	400
Anglo-Norwich	520	42	8.1	420
Anglo-Norwich	540	44	8.2	440
Anglo-Norwich	560	46	8.3	460
Anglo-Norwich	580	48	8.4	480
Anglo-Norwich	600	50	8.5	500
Anglo-Norwich	620	52	8.6	520
Anglo-Norwich	640	54	8.7	540
Anglo-Norwich	660	56	8.8	560
Anglo-Norwich	680	58	8.9	580
Anglo-Norwich	700	60	9.0	600
Anglo-Norwich	720	62	9.1	620
Anglo-Norwich	740	64	9.2	640
Anglo-Norwich	760	66	9.3	660
Anglo-Norwich	780	68	9.4	680
Anglo-Norwich	800	70	9.5	700
Anglo-Norwich	820	72	9.6	720
Anglo-Norwich	840	74	9.7	740
Anglo-Norwich	860	76	9.8	760
Anglo-Norwich	880	78	9.9	780
Anglo-Norwich	900	80	10.0	800
Anglo-Norwich	920	82	10.1	820
Anglo-Norwich	940	84	10.2	840
Anglo-Norwich	960	86	10.3	860
Anglo-Norwich	980	88	10.4	880
Anglo-Norwich	1000	90	10.5	900
Anglo-Norwich	1020	92	10.6	920
Anglo-Norwich	1040	94	10.7	940
Anglo-Norwich	1060	96	10.8	960
Anglo-Norwich	1080	98	10.9	980
Anglo-Norwich	1100	100	11.0	1000

## PROPERTY—Continued

Stock	Price	Div	Yield	Vol
Anglo-Continental	200	10	5.0	100
Anglo-De Beers	220	12	5.5	120
Anglo-Imperial	240	14	5.8	140
Anglo-Industrial	260	16	6.2	160
Anglo-International	280	18	6.4	180
Anglo-Jamaica	300	20	6.7	200
Anglo-Norfolk	320	22	6.9	220
Anglo-Norwich	340	24	7.1	240
Anglo-Norwich	360	26	7.3	260
Anglo-Norwich	380	28	7.4	280
Anglo-Norwich	400	30	7.5	300
Anglo-Norwich	420	32	7.6	320
Anglo-Norwich	440	34	7.7	340
Anglo-Norwich	460	36	7.8	360
Anglo-Norwich	480	38	7.9	380
Anglo-Norwich	500	40	8.0	400
Anglo-Norwich	520	42	8.1	420
Anglo-Norwich	540	44	8.2	440
Anglo-Norwich	560	46	8.3	460
Anglo-Norwich	580	48	8.4	480
Anglo-Norwich	600	50	8.5	500
Anglo-Norwich	620	52	8.6	520
Anglo-Norwich	640	54	8.7	540
Anglo-Norwich	660	56	8.8	560
Anglo-Norwich	680	58	8.9	580
Anglo-Norwich	700	60	9.0	600
Anglo-Norwich	720	62	9.1	620
Anglo-Norwich	740	64	9.2	640
Anglo-Norwich	760	66	9.3	660
Anglo-Norwich	780	68	9.4	680
Anglo-Norwich	800	70	9.5	700
Anglo-Norwich	820	72	9.6	720
Anglo-Norwich	840	74	9.7	740
Anglo-Norwich	860	76	9.8	760
Anglo-Norwich	880	78	9.9	780
Anglo-Norwich	900	80	10.0	800
Anglo-Norwich	920	82	10.1	820
Anglo-Norwich	940	84	10.2	840
Anglo-Norwich	960	86	10.3	860
Anglo-Norwich	980	88	10.4	880
Anglo-Norwich	1000	90	10.5	900
Anglo-Norwich	1020	92	10.6	920
Anglo-Norwich	1040	94	10.7	940
Anglo-Norwich	1060	96	10.8	960
Anglo-Norwich	1080	98	10.9	980
Anglo-Norwich	1100	100	11.0	1000

## INVESTMENT TRUSTS—Cont.

Stock	Price	Div	Yield	Vol
Anglo-Continental	200	10	5.0	100
Anglo-De Beers	220	12	5.5	120
Anglo-Imperial	240	14	5.8	140
Anglo-Industrial	260	16	6.2	160
Anglo-International	280	18	6.4	180
Anglo-Jamaica	300	20	6.7	200
Anglo-Norfolk	320	22	6.9	220
Anglo-Norwich	340	24	7.1	240
Anglo-Norwich	360	26	7.3	260
Anglo-Norwich	380	28	7.4	280
Anglo-Norwich	400	30	7.5	300
Anglo-Norwich	420	32	7.6	320
Anglo-Norwich	440	34	7.7	340
Anglo-Norwich	460	36	7.8	360
Anglo-Norwich	480	38	7.9	380
Anglo-Norwich	500	40	8.0	400
Anglo-Norwich	520	42	8.1	420
Anglo-Norwich	540	44	8.2	440
Anglo-Norwich	560	46	8.3	460
Anglo-Norwich	580	48	8.4	480
Anglo-Norwich	600	50	8.5	500
Anglo-Norwich	620	52	8.6	520
Anglo-Norwich	640	54	8.7	540
Anglo-Norwich	660	56	8.8	560
Anglo-Norwich	680	58	8.9	580
Anglo-Norwich	700	60	9.0	600
Anglo-Norwich	720	62	9.1	620
Anglo-Norwich	740	64	9.2	640
Anglo-Norwich	760	66	9.3	660
Anglo-Norwich	780	68	9.4	680
Anglo-Norwich	800	70	9.5	700
Anglo-Norwich	820	72	9.6	720
Anglo-Norwich	840	74	9.7	740
Anglo-Norwich	860	76	9.8	760
Anglo-Norwich	880	78	9.9	780
Anglo-Norwich	900	80	10.0	800
Anglo-Norwich	920	82	10.1	820
Anglo-Norwich	940	84	10.2	840
Anglo-Norwich	960	86	10.3	860
Anglo-Norwich	980	88	10.4	880
Anglo-Norwich	1000	90	10.5	900
Anglo-Norwich	1020	92	10.6	920
Anglo-Norwich	1040	94	10.7	940
Anglo-Norwich	1060	96	10.8	960
Anglo-Norwich	1080	98	10.9	980
Anglo-Norwich	1100	100	11.0	1000

## FINANCE, LAND—Continued

Stock	Price	Div	Yield	Vol
Anglo-Continental	200	10	5.0	100
Anglo-De Beers	220	12	5.5	120
Anglo-Imperial	240	14	5.8	140
Anglo-Industrial	260	16	6.2	160
Anglo-International	280	18	6.4	180
Anglo-Jamaica	300	20	6.7	200
Anglo-Norfolk	320	22	6.9	220
Anglo-Norwich	340	24	7.1	240
Anglo-Norwich	360	26	7.3	260
Anglo-Norwich	380	28	7.4	280
Anglo-Norwich	400	30	7.5	300
Anglo-Norwich	420	32	7.6	320
Anglo-Norwich	440	34	7.7	340
Anglo-Norwich	460	36	7.8	360
Anglo-Norwich	480	38	7.9	380
Anglo-Norwich	500	40	8.0	400
Anglo-Norwich	520	42	8.1	420
Anglo-Norwich	540	44	8.2	440
Anglo-Norwich	560	46	8.3	460
Anglo-Norwich	580	48	8.4	480
Anglo-Norwich	600	50	8.5	500
Anglo-Norwich	620	52	8.6	520
Anglo-Norwich	640	54	8.7	540
Anglo-Norwich	660	56	8.8	560
Anglo-Norwich	680	58	8.9	580
Anglo-Norwich	700	60	9.0	600
Anglo-Norwich	720	62	9.1	620
Anglo-Norwich	740	64	9.2	640
Anglo-Norwich	760	66	9.3	660
Anglo-Norwich	780	68	9.4	680
Anglo-Norwich	800	70	9.5	700
Anglo-Norwich	820	72	9.6	720
Anglo-Norwich	840	74	9.7	740
Anglo-Norwich	860	76	9.8	760
Anglo-Norwich	880	78	9.9	780
Anglo-Norwich	900	80	10.0	800
Anglo-Norwich	920	82	10.1	820
Anglo-Norwich	940	84	10.2	840
Anglo-Norwich	960	86	10.3	860
Anglo-Norwich	980	88	10.4	880
Anglo-Norwich	1000	90	10.5	900
Anglo-Norwich	1020	92	10.6	920
Anglo-Norwich	1040	94	10.7	940
Anglo-Norwich	1060	96	10.8	960
Anglo-Norwich	1080	98	10.9	980
Anglo-Norwich	1100	100	11.0	1000

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## MINES—Continued

### Australian

Stock	Price	Div	Yield	Vol
Anglo-Continental	200	10	5.0	100
Anglo-De Beers	220	12	5.5	120
Anglo-Imperial	240	14	5.8	140
Anglo-Industrial	260	16	6.2	160
Anglo-International	280	18	6.4	180
Anglo-Jamaica	300	20	6.7	200
Anglo-Norfolk	320	22	6.9	220
Anglo-Norwich	340	24	7.1	240
Anglo-Norwich	360	26	7.3	260
Anglo-Norwich	3			



